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ABSTRACT

These Congressional hearings contain testimony given in Nashville, Tennessee, concerning the administration, execution, and effectiveness of four rehabilitation, education, and training programs relating to veterans and their dependents that are administered by the Veteran's Administration. Programs reviewed are Vocational Rehabilitation; the G.I. Bill, the Dependent's Education Program, and Post-Vietnam Era Veteran's Education Assistance. Focus is on how these programs are working at the local level in the Nashville, Tennessee, area and program problems as viewed at the grass roots level. Particular emphasis is placed on the problems of educational overpayments, payments of benefits to persons who do not qualify for them, and difficulties in collecting overpayments from veterans. Testimony provided by twenty-four individuals is included. These individuals include officials at the federal, state, county, and local levels who participate in the administration of veteran's rehabilitation, education, and training programs and representatives of local veteran's organizations, educational institutions, and groups. Organizations represented include the American Legion, the Veteran's Administration, the Veterans of Foreign Wars, the Disabled American Veterans, the Marine Corps League, Tennessee State University, and Aquinas Junior College. (MN)

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HEARING ON THE REHABILITATION, EDUCATION, AND TRAINING PROGRAMS ADMINISTERED BY THE VETERANS' ADMINISTRATION—NASHVILLE, TENN.

HEARING

BEFORE THE

SUBCOMMITTEE ON
EDUCATION, TRAINING, AND EMPLOYMENT

OF THE

COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES

NINETY-SIXTH CONGRESS

SECOND SESSION

SEPTEMBER 26, 1980

Printed for the use of the Committee on Veterans' Affairs

U.S. DEPARTMENT OF HEALTH
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HEARING ON THE REHABILITATION, EDUCATION, AND TRAINING PROGRAMS ADMINISTERED BY THE VETERANS' ADMINISTRATION

FRIDAY, SEPTEMBER 26, 1980

House of Representatives,
Subcommittee on Education, Training,
and Employment,
Committee on Veterans' Affairs,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9:30 a.m., in room 14, Legislative Plaza, Nashville, Tenn.

Mr. **Hefner**. The Subcommittee on Education, Training, and Employment, Committee on Veterans' Affairs, will come to order.

This is a continuation of oversight hearings that have been held by the subcommittee in Newark, N.J., Los Angeles, Calif., and Atlanta, Ga.

The hearing today in Nashville will focus on the rehabilitation, education and training programs administered by the Veterans' Administration. I have made available copies of the purpose of the hearing, which provide a thumbnail sketch of the major programs for veterans regarding rehabilitation, education, and training which come under the jurisdiction of this subcommittee.

I will not take the time to read the purpose of the hearing at this time, but will have a copy made a part of the hearing record at the conclusion of my opening statement.

In meeting our responsibility, the subcommittee reviews and studies on a continuing basis the application, administration and effectiveness of the laws passed by Congress regarding veterans' programs, and determines if these laws are being carried out by the Veterans' Administration, which is responsible for implementing these programs, in accordance with the intent of Congress.

Most distressing to the subcommittee has been the extremely high number of educational overpayments, presently totaling over $400 million, which the Veterans' Administration has been unsuccessful in collecting from veterans. In this regard, there have been reports that the VA has paid $1.8 million during the last year in educational benefits to Tennessee veterans who do not qualify for the payments.

We are not holding these hearings to be critical of the Veterans' Administration, which is extending its best efforts to collect these overpayments and make all veterans' programs work. We are here to obtain information and to find out what the problems may be as viewed at the grassroots level.

Before I call the first witness, I would like to say how pleased we are to be holding this hearing in the congressional district of a distinguished member of our subcommittee and a good friend of the veteran, the Honorable Bill Boner.

Bill Boner is one of the hardest working and a most dedicated member, of our subcommittee. His attendance at the hearings on veterans' programs and very able assistance has been most helpful in the development of legislation to improve rehabilitation, education, training, and employment programs for veterans and their dependents.

It is a pleasure for me to serve with Bill Boner, whose cooperation and assistance has been so important in bringing veterans' legislation to a successful conclusion. A good example of this is a very comprehensive veterans education bill, H.R. 5288, which cleared the House of Representatives yesterday and will be sent to the White House in a few days.

[Statement of purpose follows:]

[illegible]

NINETY-SIXTH CONGRESS
RAY ROBERTS
CHAIRMAN
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, D.C. 20515

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PURPOSE OF HEARING
NASHVILLE, TENNESSEE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

W. G. (BILL) HEFNER, CHAIRMAN

SEPTEMBER 26, 1980

The Subcommittee on Education, Training and Employment of the Committee on Veterans' Affairs, U. S. House of Representatives has jurisdiction over rehabilitation, education and training programs relating to veterans and their dependents, administered by the Veterans Administration. During this year, it is expected that the Veterans Administration will pay over $2 billion to more than one million veterans and their dependents for education and training assistance.

One of the responsibilities of the Committee on Veterans' Affairs is to review and study on a continuing basis the application, administration, execution and effectiveness of the laws passed by the Congress which come within the jurisdiction of our Committee and to determine if these laws and programs thereunder are being implemented and carried out in accordance with the intent of the Congress and to determine if these programs should be continued, curtailed or eliminated.

The programs which will be under review by the Subcommittee are as follows:

1. Vocational Rehabilitation — This program authorizes services and assistance including tuition, books, fees, equipment and a monthly subsistence allowance for service-connected disabled veterans to overcome their employment handicap caused by their service-connected disabilities.

2. G.I. Bill — This program which involves more than 1,000,000 veterans is the most widely known veterans' education and training program. Veterans with more than 180 days of active duty military service during the Vietnam Era Conflict are entitled to educational assistance up to a maximum of 45 months under this program.

3. Dependents' Education Program — This program benefits children of veterans who died of a service-connected cause or whose service-connected disability is permanent and total. In addition, children of service persons missing in action or interned by a hostile foreign government for more than 90 days are also eligible under this program. In addition to the children, this program also provides benefits to spouses and widows or widowers of veterans who die of service-connected causes or whose service-connected disability is permanent and total as well as wives of servicemen missing in action or interned by a hostile foreign government.

4. Post-Vietnam Era Veterans Education Assistance -- This program which was established October 15, 1976, is a voluntary contributory educational assistance program whereby service persons who participate receive matching funds from the Veterans Administration at the rate of $2 for each $1 contributed by the participant. The contributions by the service person are limited to a maximum of $75 a month and a total maximum of $2700. Eligibility for this program is for persons who have entered the service on or after January 1, 1977.

There are approximately 9 million Vietnam Era veterans, of which 65% have utilized the G.I. Bill and 35% have not. Of the 546,000 veterans receiving service-connected compensation, more than 300,000 were wounded in Southeast Asia. However, large numbers of these disabled veterans have not used their vocational rehabilitation assistance. While the majority of Vietnam Era veterans, as a group, have done quite well, some Vietnam veterans have experienced great difficulties in making a successful readjustment to civilian life despite the readjustment and vocational assistance which the Congress has provided.

Most distressing to the Committee, for a period of years, has been the staggerlingly high number of educational overpayments presently totaling over $400 million which the Veterans Administration has been unsuccessful in collecting from veterans. These overpayments occur when the veteran accepts a payment, to which the veteran is not entitled, for an education or training course. By the time the Veterans Administration has received notice from either the veteran or the school, the veteran has already been paid a number of months for terminated education or training courses. In this regard, there have been reports that the Veterans Administration has paid $1.8 million during the last year in educational assistance to Tennessee veterans who did not qualify for the payments.

These hearings will be focusing on these programs at the local level in the Nashville, Tennessee area to determine how these programs are working and to find out what the problems may be as viewed at the "grass roots" level. The Subcommittee will be hearing from officials at the Federal, State, County and local level who participate in the administration of veterans' rehabilitation, education and training programs and representatives of local veterans' organizations, educational institutions and groups.

Mr. **Hefner**. The subcommittee will be hearing from representatives of the Veterans' Administration, the State of Tennessee, veterans' organizations, and other individuals.

Our first witness will be Mr. R. S. Bielak, director of the Veterans' Administration regional office in Nashville, who is accompanied by Mr. Patrick K. Courtney, adjudication officer, and Mr. John Mask, finance officer, also with the VA regional office in Nashville.

I would like to say it is a real privilege for me to be here in Nashville, Tenn. My home is in North Carolina, but many, many years ago, more than I care to remember, I was born in a very small town in Tennessee. It is always a pleasure to come to the great State of Tennessee, and consider Bill Boner not only an able colleague but a very close and good friend.

Before I call the first witness, I would yield just briefly for a statement from Mr. Boner, if he would like to make a statement.

Mr. **Boner**. Thank you, Mr. Chairman.

I think for the benefit of those who are familiar with Tennessee, they should be made aware that the metropolitan area that you were born in is Elora, Tenn.

Mr. **Hefner**. Elora?

Mr. **Boner**. I am sorry; most everybody here knows where Elora, Tenn., is. You have probably passed there many times.

Mr. Chairman, speaking for the citizens of the Fifth District of Tennessee, we are honored to have you and my other distinguished colleagues on the subcommittee, Mr. Leath and Mr. Hall. I want to commend the efforts of the chairman in conducting these oversight hearings to look into the administration of the veterans' rehabilitation, education, and training programs.

Additionally, I want to thank the witnesses who have agreed to testify before this subcommittee to give us their views and recommendations as to the success or shortcomings of these programs. I believe these people, who are experts in their fields, will give the members of the subcommittee an overall view of how these programs are administered in Tennessee. The testimony that we will receive today will be a great help to the members of the subcommittee and full committee in formulating legislation to help our Nation's veterans who have given so much in the defense of their country.

I, like the chairman, am distressed at the extremely high number of overpayments in Tennessee and across the Nation. I do not like to see American tax dollars spent in such a senseless manner. The American taxpayer deserves the most for his tax dollar.

The people who take advantage of the system should be exposed and the proper measures should be taken to insure that this injustice will not happen again. The veterans' education programs were designed to help our Nation's veterans better themselves by providing them the opportunity to attend colleges, vocational and trade schools. The people who abuse this program will only create hardships on those veterans who want to utilize the program in the future.

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I am looking forward to hearing the witnesses we have today in hopes that they can help this subcommittee and the Veterans' Administration in solving the problems I have discussed.

Mr. Chairman, once again, to you, to Mr. Hall and to Mr. Leath and to the members of this subcommittee, we appreciate your taking the time to come to Nashville to hear some of the unique problems that the veterans of the different districts of Tennessee are incurring.

Mr. **Hefner**. Thank you, Bill.

I am not going to refer to you as Congressman. I am going to refer to you as Bill for the remainder of these hearings, because I feel we are close enough to be on a first name basis.

We have two distinguished gentlemen with us from the great State of Texas and, on my immediate right, one of my very dear friends, Mr. Sam Hall of Texas.

Sam, would you like to comment?

Mr. **Hall**. Thank you, Bill.

I was not born here. I have no relatives that I know of who live here. Had it not been for the great State of Tennessee, we could not have fought at the Alamo, and had it not been for Sam Houston leaving his first wife and coming to Texas, I don't know what the Republic would have done there without him.

It is a pleasure to be here, and I am especially glad to see an old friend of mine from Marshall, Tex., my hometown, Rudy Sasser, who is present in the audience, whom I have known for over 40 years and who is a veteran of World War II.

He is not here for any handouts but to renew old acquaintances.

I am glad to be here with Bill Boner, who is a very fine, active young Member of the House of Representatives, who is serving his district well.

With that, Mr. Chairman, I will turn it back to you.

Mr. **Hefner**. Considering a Texan, that is a very brief statement.

Our next gentleman is a very good friend of mine, Mr. Marvin Leath, from the great State of Texas.

Mr. **Leath**. I will not take a great deal of time.

Although I was not born in Tennessee, either, I most likely have some relatives here that I don't know about.

The Leath family came down from Virgina in the late 1700's into Tennessee and Alabama. My branch of it migrated on over into Texas but, as I told my friend Bill, when we were setting up these hearings down here, I feel like I am coming to Mecca. I have been a country music fan all my life and used to wake up years ago listening to country music, and go to bed listening to it, so I am delighted to be in Nashville and delighted to be here in Congressman Boner's district.

I am a freshman Member of Congress, as is Bill Boner. We have learned the trials and tribulations and worked hard in the 2 years that we have been there, and I feel that there is no more outstanding member of this committee than Bill Boner. I am delighted to be in your district today and participate in these hearings.

Mr. **Hefner**. Thank you

We have some very fine people from our staff. I would like to say that the Veterans' Committee is, in my opinion, one of the hardest working committees and has the most capable staff of any committee in Washington. I have served on Public Works, Commerce, and will be leaving next year to go to the Appropriations Subcommittee, which will be able to fund the programs that these fellows pass, but we have a very fine staff that has worked very hard to put this together, and everything that will take place here will be a part of the record.

The official record will be taken back, and every member of the Veterans' Committee and the entire House will have access to the testimony here today.

I have noticed some of the statements are quite lengthy. To expedite matters, if you would like to summarize your statement, you can be assured that all of your statement will be a part of the permanent record.

Our first witness is Mr. R. S. Bielak, director, Veterans' Administration, regional office, Nashville, Tenn.

We are happy to have you before the subcommittee.

STATEMENT OF R. S. BIELAK, DIRECTOR, VETERANS' ADMINISTRATION REGIONAL OFFICE, NASHVILLE, TENN., ACCOMPANIED BY PATRICK COURTNEY, ADJUDICATION OFFICER, JOHN MASK, FINANCE OFFICER, AND JERRY STRINGER, VA DISTRICT COUNSEL

Mr. **Bielak**. I have submitted a prepared statement to the subcommittee, and I will try to summarize some of it that I think significant this morning.

First, I would like to welcome you and the other subcommittee members, as well as members of the staff, to Nashville. I would like to express on behalf of the 265 employees of the Nashville regional office their appreciation for your willingness in bringing your subcommittee to the grassroots level to receive testimony on veterans' programs and problems.

I am accompanied today by our adjudication officer, Mr. Patrick Courtney, our finance officer, Mr. John Mask, and the VA district counsel, Mr. Jerry Stringer.

Mr. Courtney and Mr. Mask are prepared to provide you information about the Veterans' Administration educational assistance benefits and the educational loan programs. They will explain the operating procedures that are followed in determining eligibility for educational assistance benefits and educational loans.

Both Mr. Courtney and Mr. Mask will also discuss the causes of overpayments of education allowances to veterans as a result of their participating in the education program. As you know, the amounts of public funds representing overpayments of education allowances have been a major area of concern both to the agency and to the Congress.

We believe that the tightening of the policy in June 1977 for making advance payments and the discontinuance of prepayment of education benefits has had a major impact on alleviating this program.

I think it is important to note that during the year ending June 30, 1978, over $61 million was paid to Vietnam veterans participating in the VA educational assistance program here in the State of Tennessee. The $1.7 million overpaid during the period represented 2.8 percent of the total benefits paid. Talking to Miss Dorothy

Starbuck at a conference, she seemed to think that this figure represented somewhat lower than the national average, but I do not have available that specific figure.

The reduction of overpayments which have been effective since June 1977, because of the actions taken, does represent a significant improvement in performance prior to that time. I do, however, agree that everything possible should be done to reduce overpayments to an absolute minimum.

I would like to briefly talk about the Nashville regional office for a minute. It has jurisdiction over the State of Tennessee for veterans' benefits programs. When we talk about veterans' benefits programs, we are primarily talking about compensation, pension, education benefits, home loan guarantee programs, and vocational rehabilitation.

With 250 employees stationed at Nashville, we attempt to service 542,000 living veterans in the State of Tennessee. By the way, among that number, there are 167,000 Vietnam era veterans.

The VA regional office at Nashville has a good reputation within the Veterans' Administration. From time to time it has been recognized for its performance level. Just last week, for instance, our adjudication division was presented a certificate of commendation for its high level of performance which has been approved by our chief benefits director, Dorothy Starbuck.

In terms of workload and beneficiaries serviced, the Nashville regional office ranks 22d in the Nation, and usually processes about 2 percent of the national workload.

Since this hearing relates primarily to education benefits, I think it is significant to note in November 1975, a high of over 38,000 veterans were in training in Tennessee. The number of veterans in training has declined steadily since that time, as you are aware, and we anticipate that there will be about 13,000 veterans in training this fall in the State of Tennessee.

The regional office has six operating divisions. For the benefit of the people here, I am only going to mention two that are of primary importance to this committee. One is the adjudication division, which processes applications, develops education claims and makes decisions on claims for various benefits, including the educational assistance allowance, and educational loans that are of primary interest this morning. The adjudication division also authorizes the payment of awards and makes appropriate input to the compensation, pension and education ADP systems.

Our finance division, which administers a comprehensive accounting system, including payments to certain veterans and beneficiaries, also conducts a program of payment of administrative expenditures incident to operations, and administers certain collection activities for the regional office, and that is what you are very much interested in this morning.

In terms of activities outside the office, our veterans' assistance division provides information and assistance to beneficiaries on veterans' benefits programs. The division is usually involved where contact is made with the public, including operation of a statewide toll-free phone network where every beneficiary in the State can reach the regional office at the price of a local call, a vocational and rehabilitation service, a vocational and counseling and rehabilitation program, liaison with educational institutions and educational compliance survey programs. It also conducts field examinations and supervises payments to beneficiaries under legal disabilities. It also provides public contact services to six VA medical locations in this State—the hospitals at Nashville, Memphis, Murfreesboro, and Mountain Home, and the two satellite clinics, the one at Chattanooga and the other at Knoxville.

My statement does include some of their statistics relating to the extent of their operations. I am not going to repeat those this morning.

I think it is important that I do mention Target. Target is an automated compensation, pension and education benefits delivery service that the Veterans' Administration started to implement about 4 years ago. The Target system was activated at the Nashville regional office in February 1979.

In June of this year, we started training on the second phase and use of the Target system which related to claims processing. We have now fully completed that training and both phase 1, which is an information part of the system, and phase 2, which is the benefits delivery part of the system and, at this time, both the inquiry and claims processing portions of the system are fully operational in our office. Users of the system are generally enthusiastic about it, and we are confident as we gain experience in using the system. It should continue to improve job performance and more timely service to beneficiaries here in the State.

We do have representatives of various service organizations here this morning. I think it is well to mention that we do provide them space within our regional office activity for them to assist veterans and their beneficiaries in processing claims.

Here in Tennessee we do provide space to the American Red Cross, AMVETS, Disabled American Veterans, the Tennessee Department of Veterans' Affairs, The American Legion, Fleet Reserve Association, Military Order of the Purple Heart, Veterans of Foreign Wars of the United States, and Veterans of World War I.

In terms of the statistics relating to the education loan program, since the inception of the program we have disbursed 1,232 education loans here in the State of Tennessee.

This represents an amount of about $1.3 million. As of June 30, 833 or 67.6 percent of those loans have matured. We use the language "matured" in that veterans who received the loans have been out of training for 9 months. At that point the loans are considered matured and some repayment plan should be in effect.

As of June 30, we had 518 such loans in default. This means that no proper arrangement, or no progress, is being made on repaying those loans. This represents 62.2 percent of the loans that have matured and is about very close to the national average in terms of the defaults on the matured loans.

One other procedure that was implemented in April 1979, that the subcommittee should know about has to do with collection efforts relating both to educational assistance overpayments and education loan defaults. We now process all loan applications received from Vietnam era veterans against our finance records to determine whether they have an education overpayment or a defaulted education loan. If it is determined that they do have an outstanding debt to the Government, arrangements for repayment of this debt must be made before the loan application will be approved.

Our experience in this program since April 6, 1979, has been that we have looked at or have received during the period 9,451 loan applications. We have identified 6,600 of those applications as having come from Vietnam era veterans. About 10 percent, or 632 of the 6,600 had outstanding debts, either educational overpayments or matured education loans. The 632 debts identified represented $285,000 in overpayments. Since the inception of this program, we have been able to have 344 of those debts paid representing $122,000, and arrangements have been made to pay an additional 14 representing $8,000.

We feel that this program has been, to some degree, successful and, as it gains publicity, more and more veterans will realize the importance, we think, of making arrangements with the Veterans' Administration for repaying their indebtedness.

I did briefly talk about in my statement that we do have a career development center operating at the regional office. It provides assistance to veterans in terms of counseling on their careers. We provide job information, printing and job-planning skills, approaches, understanding of career development and the place of training in such development, and direction placement of contacts or appropriate referral for job placement assistance.

In this regard, we do have a microfiche provided by the State employment service which is updated almost daily that provides us information on jobs available in the State of Tennessee or in the local area, and we are able to make through the State employment service direct referrals to those jobs. Although our role in this endeavor is not a major one, we feel we are making a needed contribution.

This concludes my statement, Mr. Chairman.

I will be available for any questions you or the committee members may have.

[Mr. Bielak's written statement follows:]

STATEMENT OF ROBERT S. BIELAK, DIRECTOR, VETERANS ADMINISTRATION REGIONAL OFFICE, NASHVILLE, TENNESSEE

Mr. Chairman: I would like to welcome you, other subcommittee members participating and members of your staffs to Nashville, Tennessee. I would like to express on behalf of the 265 employees of the regional office, their appreciation for your willingness in bringing your subcommittee to the "grass roots" level to receive testimony on veterans' programs and problems.

I am accompanied today by our Adjudication Officer, Mr. Patrick Courtney, our Finance Officer, Mr. John Mask and the VA District Counsel, Mr. Jerry Stringer. Mr. Courtney and Mr. Mask are prepared to provide you information about the Veterans Administration Education Assistance Benefits and the Education Loan Program. They will explain the operating procedures that are followed in determining eligibility for educational assistance benefits and educational loans. Both Mr. Courtney and Mr. Mask will also discuss the causes of overpayments of education allowance to veterans as a result of their participating in the education program. As you know, the amounts of public funds representing overpayments of education allowances has been a major area of concern both to the agency and to the Congress. We believe that the tightening of the policy in June 1977 for making advance payments and the discontinuance of pre-payment of education benefits has had a major impact on alleviating this problem. I think it is important to note that during the year ending June 30, 1980 over 61 million dollars was paid to Vietnam Veterans participating in the VA educational assistance program. The 1.7 million overpaid during the period represented 2.8% of the total benefits paid. While this reflects considerable improvement from prior performance, I do agree that everything possible should be done to reduce overpayments to an absolute minimum. Mr. Courtney and Mr. Mask will also provide some insight on the number of loans made and procedures for collection of overpayments and loans when due.

Mr. Chairman with your permission, I would like to first give you a brief overview of our operations. The Veterans Administration Regional Office at Nashville, Tennessee is one of 58 regional offices in the Department of Veterans Benefits. The Nashville Regional Office has jurisdiction of veterans benefit programs throughout the State of Tennessee. Benefit programs include: compensation, pension, education benefits, home loan guarantees and vocational rehabilitation. With about 250 employees located at Nashville we strive to provide quality service to the 542,000 living veterans in the state (with 167,000 from the Vietnam era). We like to think that we have been successful in this endeavor in that from time to time operating elements in this office have been recognized for their excellent performance. For instance, just last week our Adjudicatic Division was presented a Commendation for high level achievement approved by Chief Benefits Director Dorothy Starbuck.

In terms of workload and beneficiaries serviced, the Nashville Regional Office ranks 22nd in size and usually processes about 2% of the national workload. Statistical data for Tennessee relating to Veteran Benefits can be found in Exhibit A. Since this hearing relates primarily to education benefits, I think it is significant to note that in November 1975 we reached a high of over 38,000 veterans in training in Tennessee. The number of veterans in training has declined steadily since then. We anticipate that there will be about 13,000 in training during this Fall.

In the regional office we have six operating Divisions. They are:

Adjudication Division - Processes applications, develops evidence and makes decisions on claims for various benefits, including educational assistance allowance and education loans. Authorizes the payment of awards, and makes appropriate input to compensation, pension and education ADP systems.

Administrative Division - Provides support service to regional office elements in such functions as mail identification and delivery, establishment of records, file maintenance, control of forms and publications, telecommunication services, centralized transcribing and other services.

Finance Division - Administers a comprehensive and detailed accounting system for regional office operations including payments to certain veterans and beneficiaries. Conducts a program of payment of administrative expenditure incident to operations, and administers certain collection activities for the regional office.

Personnel Division - Provides service in all phases of personnel administration including recruitment, placement, training, employee relations and related activities.

Loan Guaranty Division - Processes applications, develops evidence, and makes determination relating to entitlement to loan entitlement benefits. Makes appraisal to establish reasonable value, services loans, acquires and disposes of properties, and assists certain physically handicapped veterans who purchase a home with the aid of a grant.

Veterans Assistance Division - Provides information and assistance to beneficiaries on veterans benefits. Veteran Assistance Division is usually involved where contact is made with the public including: operation of a statewide toll-free telephone network; vocational counseling and rehabilitation service, liaison with educational institutions and an education compliance survey program; conducts field exams and supervises payments to beneficiaries under legal disabilities; and provides public contact service at the following locations:

VA Medical Center
1030 Jefferson Avenue
Memphis, TN 38104

VA Medical Center
Johnson City
Mountain Home, TN 37684

VA Medical Center
Murfreesboro, TN 37130

VA Medical Center
1310 24th. Avenue, South
Nashville, TN 37203

VA Outpatient Clinic Substation
Bldg. 6200, Eastgate Center
Chattanooga, TN 37411

VA Outpatient Clinic Substation
9047 Executive Park Drive
Suite 100
Knoxville, TN 37919

Mr. Chairman, I would like to indicate the degree of participation of veterans and beneficiaries in a few of our major program areas:

EDUCATION PROGRAM

During March 1980 we had 16,227 trainees on the rolls who received $5,603,184.45 in benefit payments.

COMPENSATION PROGRAM

As of June 30, 1980 we had 46,707 compensation cases on the rolls. Payments amounted to $11,136,035.00 monthly.

PENSION PROGRAM

As of June 30, 1980 we had 56,648 pension cases on the rolls. Payments amounted to $8,693,398.00 monthly.

LOAN GUARANTY

During the first three quarters of fiscal year 1980, we guaranteed 3,773 home loans. The principal amount of these loans was $156,891,426.00.

ADMINISTRATIVE

In administering the above programs as well as those of lesser magnitude, we receive and must process a large volume of mail from program participants. For example, during the past six months of fiscal year 1979, we have received over 198,949 pieces of mail.

VETERANS ASSISTANCE

Our Veterans Benefits Counselors provide information and assistance to veterans and beneficiaries through face to face interviews and through our local and toll free telephone service. From October 1, 1979 through August 31, 1980 we have conducted 50,765 personal interviews and responded to 433,304 telephone inquiries.

TARGET

Target is an automated compensation, pension and education benefits delivery system. The Target system was activated at the Nashville Regional Office in February 1979. Since that time we have completed training on Phase I and Phase II of the system. At this time both the inquiry and claims processing portions of the system are in operation. Users of the system are generally enthusiastic about the system and we are confident that as we gain experience in using the system it should continue to improve job performance and more timely service to VA beneficiaries.

Mr. Chairman, within our regional office, we provide space and office facilities to a number of National Veterans and Service Organizations as well as the Tennessee Department of Veterans Affairs. These offices and their staffs, under powers of attorney, provide advice and assistance to veterans and other beneficiaries in presenting their claims to the agency. They provide a needed service to their members and non-members alike. I might add that they also provide to me and my staff, the type of constructive suggestions for improvements in our operations which serves to improve overall service to our clients. The organizations and the Officer-in-Charge are listed below:

SERVICE ORGANIZATIONS

VETERANS ADMINISTRATION REGIONAL OFFICE, NASHVILLE, TENNESSEE

American Red Cross: Simon Rooks

AmVets: Raymond W. Gray

Disabled American Veterans: Donald L. Samuels

Tennessee Department of Veterans Affairs: David N. Gaither

- The American Legion
- Fleet Reserve Association
- Military Order of the Purple Heart
- Veterans of Foreign Wars of the U. S.
- Veterans of World War I of the U.S.A., Inc.

Mr. Chairman, I would like to turn now to an area which I am sure is of great interest and concern to you and other members of the subcommittee. I have reference to our Education Loan Program. As I have previously indicated, my associates, Mr. Courtney and Mr. Mask, will present detailed information on this program.

As Mr. Mask will tell you, the Nashville Regional Office has since the inception of the program through June 30, 1980 disbursed 1232 education loans which represents a dollar amount of $1,281,835.45. As of June 30, 1980, 833 or 67.6 percent of these loans have matured. This represents an amount of $909,392.82. As of June 30, 1980, we had 518 such loans in default. This represents a total amount due to the government of $525,059.00. The number of defaults represents 62.2 percent of the loans that have matured.

In April 1979 we initiated a program for reviewing all home loan applications received in the Loan Guaranty Division to determine if there was an education assistance overpayment or an education loan default. If either was found, efforts were to be made to collect monies due from the veteran. This applied to all veterans who had served in the Armed Forces after January 31, 1955.

Under this procedure, loan applications received were reviewed and those indicating that the veteran had previously filed a claim for benefits were forwarded to our Finance Officer to make a determination as to whether an overpayment or an education loan in default existed. If so, the amount of overpayment or default is furnished our Loan Guaranty Division. The veteran is notified by the Loan Guaranty Division that the home loan application will not be approved until such debt is paid in full or a repayment plan is submitted which is acceptable to the VA. At the same time, our Loan Guaranty personnel notify the lender that the loan application may not be approved at the present time, but because of the Privacy Act, we cannot disclose the reason. The lender is further informed that the information has been furnished directly to the veteran and we suggest that the lender contact the veteran for further details. There follows statistics on the result of our collection efforts for the period April 6, 1979 through August 31, 1980.

	Number	Amount
Total applications received ----------------	9,451	
Identified as Vietnam Era Veterans (approx)-	6,600	
Total debts disclosed ----------------------	632	$285,450.85
Debts paid in full -------------------------	344	122,313.19
Arrangements made for repayment plan -------	14	8,787.47

Mr. Chairman, as you can see, this new additional means of collection of monies due to the government is having a positive effect. Too, Mr. Chairman, we believe that when this agency action becomes publicized throughout the nation, it will have an added impact on the attitude of veterans and their commitment to liquidate their debts to the VA.

I would like to mention briefly our involvement in assisting veterans in finding employment. As you know, the legal responsibility for assisting veterans in employment is placed in the Department of Labor. However, our Administrator, Max Cleland, has urged that VA Offices provide whatever assistance possible in support of their efforts.

We have a fully functional Career Development Center operating at the regional office. The objectives of the Career Development Center are to provide disabled and other veterans with current career and job information, using not only printed but also audiovisual and, perhaps, computerized materials; training in job-finding skills and approaches; understanding of career development and the place of training in such development; and direct placement contacts or appropriate referral for job placement assistance.

At the Career Development Center micro-fiche which is furnished to the Veterans Administration by the Tennessee Department of Employment Security is used to help veterans find jobs. This fiche contains current job openings available in Middle Tennessee. After identifying potential jobs for which they may qualify, the counselor makes telephone contact with the nearest veteran's employment representative and advises that the veteran is being referred. Although our role in this endeavor is not a major one, we believe we are making a needed contribution.

Mr. Chairman, this completes my statement. If there are any questions, I will be glad to try and answer them.

EXHIBIT A

VETERANS BENEFITS - STATISTICAL DATA FOR TENNESSEE

	As of 12-31-78	As of 12-31-79
Veteran population in Tennessee (approx.)	540,000	541,000
Total active compensation and pension cases (live and death)	108,142	105,154
Number of payees	118,585	112,672
Live (total)	68,864	67,688
Compensation (SC)	38,336	38,546
Pension (prior law)	1,115	
Pension (PL 86-211)	29,413	
Pension (old law)		841
Pension (PL 95-588)		5,477
Pension (SEC 306)		22,824
Death (paid to beneficiaries) (Total)	49,721	46,282
Compensation (SC)	10,488	10,308
Widows	4,379	4,555
Children	1,894	1,829
Parents	4,215	3,924
Pension (prior law)	1,205	
Widows	1,190	
Children	15	
Pension (PL 86-211)	37,995	
Widows	24,874	
Children	13,121	
Pension (old law)		1,017
Widows		1,003
Children		14
Pension (PL 95-588)		3,323
Widows		3,082
Children		241
Pension (SEC 306)		31,634
Widows		20,920
Children		10,713
Average total monthly benefits	17,371,599	19,488,317
Veterans and Servicemen in education and training Under G.I. Bill (Chapter 34)	15,255	13,572
College level	10,369	9,298
Below college level	3,341	2,962
Apprenticeship and OJT	1,545	1,312
Flight training (included in below college level)	181	203
Vocational Rehabilitation (Chapter 31)	201	197
Wives, widows and children (Chapter 35)	117	102

Mr. **Hefner**. Thank you, Mr. Bielak.

I have no questions at this time. If you would like to introduce your colleagues, we will let them proceed in any manner that they see fit. They may want to summarize their statements. It will all be part of the record, as we said earlier.

Mr. **Bielak**. Mr. Courtney is our adjudication officer. That division has the responsibility for processing out applications, developing claims and finally making awards, and then putting those awards to our ADP systems.

Mr. **Hefner**. At this time we will recognize Mr. Courtney. You can proceed. Your entire statement will be made part of the record.

STATEMENT OF PATRICK K. COURTNEY, ADJUDICATION OFFICER, VARO, NASHVILLE, TENN.

Mr. **Courtney**. Mr. Chairman and members of the subcommittee, it is indeed an honor for me to have the opportunity to appear before you today.

I have a prepared statement with attachments and exhibits which I would like to submit for the record. I would also like to offer an oral summary of this statement at this time.

As Mr. Bielak has pointed out, the Nashville regional office services claims for gratuitous benefits for some 532,000 veterans in the State of Tennessee, as well as their dependents and survivors. We are responsible for determining eligibility for and awarding educational assistance to veterans under three separate programs, as well as to certain children, spouses, widows, or widowers of veterans. Specifically, these programs are as follows:

Vocational rehabilitation, which is under chapter 31, title 38, United States Code. This program authorizes services and assistance including tuition, books, fees, equipment, and a monthly subsistence allowance for service-connected disabled veterans to overcome any employment handicap caused by their service-connected disabilities.

The second program is what is generally known as the GI Bill, chapter 34, title 38, United States Code. This program, which involves more than 1 million veterans, is the most widely known veterans' education and training program. Veterans with more than 180 continuous days of active duty military service subsequent to January 31, 1955, and prior to January 1, 1977, are entitled to educational assistance up to a maximum of 45 months under this program.

The third program is the post-Vietnam era veterans' education assistance, chapter 32, title 38, United States Code.

This program, which was established October 15, 1976, is a voluntary contributory educational assistance program whereby servicepersons who participate receive matching funds from the Veterans' Administration at the rate of $2 for each $1 contributed by the participant.

The contributions by the servicepersons are limited to a maximum of $75 a month and a total maximum of $2,700. Eligibility for this program is for persons who have first entered the service on or after January 1, 1977.

The fourth program is the dependent's education program, chapter 35, title 38, United States Code. This program benefits children of veterans who died of a service-connected cause or whose service-connected disability is permanent and total. In addition, children of servicepersons missing in action or interned by a hostile foreign government and have been so listed by the Secretary of Defense for more than 90 days are also eligible under this program.

In addition to the children, this program also provides benefits to spouses and surviving spouses of veterans who die of service-connected causes or whose service-connected disability is permanent and total, as well as spouses of servicepersons missing in action or interned by a hostile foreign government.

I am aware that the committee is deeply concerned over the number and amount of overpayments of educational assistance. I have, therefore, prepared as part of my presentation an overview of the education program and the process involved in awarding benefits in order to give you a picture of how claims are processed.

I have also prepared data to provide the committee with information as to how overpayments are created and for what reasons. These, together with the summary of the law under which we operate, are attached to my presentation.

Mr. Chairman, I have also prepared remarks on the education loan program. This program is intended to supplement the educational assistance programs. It affords eligible persons additional assistance to meet the ever-increasing costs of higher education.

The education loan program is a complex one. It is a restrictive benefit and its adjudication requires our closest attention. We believe it is fulfilling its intent, which is to help those of our veterans and other applicants whose educational costs exceed their means.

Mr. Chairman, this concludes my remarks. I will be happy to respond to any questions that you may have at this time.

[Mr. Courtney's written statement follows:]

STATEMENT BY MR. PATRICK K. COURTNEY, ADJUDICATION OFFICER, VETERANS ADMINISTRATION REGIONAL OFFICE, NASHVILLE, TENNESSEE

Mr. Chairman and members of the Committee, it is indeed an honor to appear before you today. I have a prepared statement with attachments and exhibits that I would like to submit for the record. I would also like to offer an oral summary of this statement at this time.

Mr. Chairman, the Nashville Regional Office services claims for gratuitous benefits for some 542,000 veterans in the State of Tennessee, as well as their dependents and survivors. Among the various programs we administer, we are responsible for determining eligibility for and awarding educational assistance to veterans under three separate programs, and to certain children, spouses, widows or widowers of veterans. Specifically, these programs are as follows:

1. Vocational Rehabilitation (Chapter 31, 38 U.S.C.). This program authorizes services and assistance including tuition, books, fees, equipment and a monthly subsistence allowance for service-connected disabled veterans to overcome their employment handicap caused by their service-connected disabilities.

2. G. I. Bill (Chapter 34, 38 U.S.C.). This program which involves more than 1,000,000 veterans is the most widely known veterans' education and training program. Veterans with more than 180 days of active duty military service subsequent to January 31, 1955, are entitled to educational assistance up to a maximum of 45 months under this program.

3. Post-Vietnam Era Veterans Education Assistance (Chapter 32, 38 U.S.C.). This program which was established October 15, 1976, is a voluntary contributory educational assistance program whereby service persons who participate receive matching funds from the Veterans Administration at the rate of $2 for each $1 contributed by the participant. The contributions by the service person are limited to a maximum of $75 a month and a total maximum of $2700. Eligibility for this program is for persons who have first entered the service on or after January 1, 1977.

4. Dependents' Education Program (Chapter 35, 38 U.S.C.). This program benefits children of veterans who died of a service-connected cause or whose service-connected disability is permanent and total. In addition, children of service persons missing in action or interned by a hostile foreign government for more than 90 days are also eligible under this program. In addition to the children, this program also provides benefits to spouses and widows or widowers of veterans who die of service-connected causes or whose service-connected disability is permanent and total as well as wives of servicemen missing in action or interned by a hostile foreign government.

I am aware that the Committee is deeply concerned over the number and amount of overpayments of educational assistance. I have, therefore, prepared as part of my presentation an overview of the education program, and the process involved in awarding benefits in order to give you a picture of how claims are processed. I have also prepared data to provide the Committee with information as to how overpayments are created and for what reasons. These, together with the summary of the law under which we operate, are attached to my presentation.

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The education loan program is a complex one. It is a restrictive benefit, and its adjudication requires our closest attention. We believe it is fulfilling its intent, which is to help those of our veterans and other applicants whose educational costs exceed their means.

Mr. Chairman, this concludes my remarks. I will be happy to respond to any questions that you may have at this time.

ATTACHMENT A

The criteria for basic eligibility, entitlement and duration of eligibility and time limits for use of the G. I. Bill are as follows:

ELIGIBILITY

Veterans who served on active duty for more than 180 continuous days, any part of which occurred after January 31, 1955, but before January 1, 1977, and who (a) were released under conditions other than dishonorable, (b) were discharged for a service-connected disability or (c) continue on active duty are eligible under the Veterans Readjustment Act of 1966, as amended. Also eligible are those individuals who contracted with the Armed Forces and were enlisted in or were assigned to a reserve unit prior to January 1, 1977, and who as a result of this enlistment or assignment, served on active duty for more than 180 days, any part of which began within 12 months after January 1, 1977, and who were discharged from active duty under conditions other than dishonorable.

The 181 days required active duty does not include any period when assigned full-time by the Armed Forces to a civilian institution for a course substantially the same as a course offered to civilians; served as a cadet or midshipman at a service academy. If a veteran has served in the Reserves or National Guard (but not at one of the Service academies) and later serves for one consecutive year or more on active duty, the active duty for training time initially served shall be treated as active duty for VA education purposes.

ENTITLEMENT AND DURATION OF ELIGIBILITY

Each eligible person (who initially entered service before January 1, 1977, or, in some cases, after that date under the Delayed Entry Program or a similar program) will be entitled to educational assistance for a period of 1½ months (or the equivalent in part-time training) for each month or fraction thereof of service on active duty after January 31, 1955, up to 45 months. The ending date for computing entitlement shall be no later than the date of the eligible person's first discharge or release from active duty after December 31, 1976. If he or she served 18 continuous months or more after January 31, 1955, and starting before January 1, 1977, and has been released under conditions satisfying the active duty obligation, he or she will be entitled to 45 months.

Also entitled to 45 months are those persons who pursuant to a contract with the Armed Forces (entered into prior to January 1, 1977) serve 18 continuous months or more of active duty service (the beginning date of which service occurs between January 1, 1977, and January 1, 1978) and who are discharged or released from such active duty under conditions other than dishonorable.

TIME LIMITS

Veterans (who initially entered service before January 1, 1977, or in some cases after that date in the Delayed Entry Program or similar program) who are released from active duty after January 31, 1955, have eligibility for 10 years after discharge or release but not later than December 31, 1989.

For farm cooperative, apprentice or on-job training, or flight training, eligibility ceases 10 years from date of last separation from service after January 31, 1955, or August 30, 1977, whichever is or was later.

Veterans who were prevented from beginning or completing their chosen program of education because of a physical or mental disability not the result of their own willful misconduct may receive an extension of delimiting date.

In the State of Tennessee, there are 167,000 veterans of the Vietnam Era. They comprise the bulk of our eligibles for Chapter 34 educational assistance. Through April 1980, 62 percent of these veterans have trained under the G. I. Bill, which is a higher figure than those who have trained throughout the United States. We currently have 609 active institutions and establishments approved for the training of eligible persons. See Exhibit 1 for a breakdown of these activities by type of facility.

The various programs of education that a veteran may pursue are outlined below:

EDUCATIONAL INSTITUTIONS

An educational institution approved for training may include any public or private elementary, high, vocational, correspondence, or business school, junior or teachers college, normal school, college or university, professional, scientific or technical institution, or any other institution which furnishes education at the secondary school level or above.

Veterans who have already qualified in a program of education may receive educational assistance for up to 6 months to pursue refresher training to update skills acquired prior to or during service. Entitlement is charged.

Each eligible person may select a program of training at any educational institution or training establishment which will accept and retain the individual as a student trainee in any field or branch of knowledge which the institution finds the person qualified to undertake.

Educational and vocational counseling will be provided by the Veterans Administration upon request.

Generally a program of education outside the United States may be pursued only at an approved educational institution of higher learning.

A change of program is permitted under some conditions.

COOPERATIVE PROGRAM

This program combines formalized education with training in a business or industrial establishment with emphasis on the institutional portion.

CORRESPONDENCE PROGRAM

Allowance for a program of education pursued exclusively by correspondence and paid quarterly will be computed on the basis of 90 percent of the established charge paid by nonveterans for the same course or courses. Entitlement will be reduced at the rate of one month for each $311 paid to the veteran.

FARM COOPERATIVE TRAINING

An eligible veteran enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses must be concurrently engaged in full-time agricultural employment which is considered to be related to the approved institutional courses.

The veteran may receive benefits for a full 12 months when instruction for the year is prescheduled for 44 weeks of the year.

APPRENTICESHIP OR OTHER ON-JOB TRAINING

An eligible veteran may pursue, on a full-time basis only, an approved

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program of apprenticeship or other training on-the-job. Apprenticeship or on-job training programs must be approved by a State approving agency.

The entrance wages shall be at least one-half of the wages paid for the specific job and shall be increased on a regular schedule until the veteran is receiving 85 percent of the wages for that job by at least the last full month of the training period which cannot exceed 2 years. These limitations do not apply to apprenticeships.

FLIGHT TRAINING

An eligible veteran may take an approved course of flight training generally accepted as necessary to attain a recognized vocational objective in the field of aviation or where recognized as ancillary to the pursuit of another vocation. The veteran must possess a valid private pilot's license and meet the necessary medical requirements.

Educational assistance allowance for flight training is computed at the rate of 90 percent of the established charges for tuition and fees which nonveterans are required to pay. Entitlement will be reduced at the rate of one month for each $288 paid to the veteran.

Flight training as a part of an approved college degree program is also available.

HIGH SCHOOL TRAINING

A veteran who must complete high school training or pass the GED examination to qualify for higher education may receive educational assistance allowance without a charge against basic entitlement. It also permits additional secondary school training such as refresher courses or deficiency courses needed to qualify for admission to an appropriate educational institution.

ELEMENTARY EDUCATION

Veterans not completing the eighth grade may receive educational assistance allowance without a charge against basic entitlement.

The rates of educational assistance payable under Chapter 34 are as follows:

	NO. DEPS.	1 DEP.	2 DEPS.	EACH ADD. DEP.
INSTITUTIONAL:				
Full-Time	$311	$370	$422	$26
Three-Quarter	233	277	317	19
Half-Time	156	185	211	13
COOPERATIVE	251	294	334	19
APPRENTICESHIP/OJT				
1st 6 Months	226	254	277	12
2nd 6 Months	169	197	221	12
3rd 6 Months	113	141	164	12
4th and any succeeding 6 Month Period	56	84	108	12
FARM COOPERATIVE				
Full-Time	251	294	334	19
Three-Quarter	188	221	251	15
Half-Time	126	147	167	10
ACTIVE DUTY, OR LESS THAN HALF-TIME	Tuition cost, not to exceed rate of $311 for full-time; $233 for 3/4 time; $156 for 1/2 time or less but more than 1/4 time; $78.00 for 1/4 time or less.			

ATTACHMENT B

Upon receipt of an application for educational assistance, the regional office will process the claim in the following manner: (Samples of the various application forms in use are attached as Exhibits 2 through 4.) The claimant is asked to furnish evidence of completion of military service, usually by forwarding a copy of DD Form 214, Notice of Separation, with his or her application. If this is not received with the application, or if all required information is not furnished, we will request the additional clarifying information directly from the service department involved.

Once we have this evidence, a determination is made as to whether the claimant is basically eligible for the benefit in question, the number of months of benefits authorized and the delimiting date is computed beyond which benefits would no longer be payable.

The claimant is asked on the application to specify the final educational, professional or vocational objective to be achieved through the course of study desired, along with information as to the name and location of the school or training establishement and the specific course or courses required to attain the objective. He or she also provides information as to any prior experience gained that might have a bearing on whether or not the individual is already qualified for the objective sought. It is not contemplated that educational assistance be authorized when the individual is shown to be already qualified for the objective.

Assuming the program is approved for VA purposes and the course is appropriate to an authorized final educational, professional or vocational objective, the next step for the claims examiner is to review the enrollment certificate. This is a document prepared by an authorized official of the school or training establishement which sets forth such things as the dates of the enrollment period, rate of attendance expressed in clock, semester or quarter hours, and amount of credit allowed for previous experience. See Exhibit 5 for an example of an enrollment certificate. Most enrollments are certified after a claimant has begun his or her course. In this way, the agency has evidence of pursuit prior to an award of benefits. There is an advance payment that can be made if the application and enrollment certification are received in sufficient time prior to the commencement of training at either an institution of higher learning or a non-college degree course. This provides for disbursement of a check covering the first partial month and next succeeding month to the school address for issuance to the student. There is a certification card enclosed along with the check that is to be completed and returned by the school after the veteran has enrolled, notifying us of any changes in the enrollment.

Assuming everything is in order, the claims examiner would then process an award. This involves input of essential information over a video display terminal which is linked to the agency's mail computer system in Hines, Illinois. The rate of payment is determined by the individual's rate of pursuit. Reimbursement for tuition and fees is made if training is at a less than half-time rate. Higher monthly rates are authorized for pursuit at a half-time, three-quarter time or full-time rate, with additional amounts authorized for dependents. The relationship of dependents is determined based on a review of information furnished on the application along with any required documentary evidence.

Once an award is made, an award letter (see Exhibit 6) is released to the claimant notifying him or her of the rates authorized, the period in question, whether additional amounts are payable for dependents, the amount of original and remaining entitlement and the delimiting date for use of educational benefits. The veteran is also furnished appellate rights should there be any disagreement with the terms of our award, and a statement as to his or her responsibility to immediately notify the Veterans Administration as to any change in the enrollment. A check is usually generated covering any period from the beginning date of the award through the end of the month preceding the time of generation of the award.

As a control to prevent improper payment of benefits, certification cards are forwarded for completion and return. In the case of students attending institutions of higher learning, which constitute the majority of our claimants, such certifications are released to the schools periodically for completion and return certifying as to whether any changes in the veteran's enrollment (i.e., reductions or increases in training time, unscheduled termination, etc.) have occurred. Payment to these students will continue through the termination date of the enrollment whether or not the card is returned. Should the card not be returned, however, there is a computer control established that causes generation of a message to our Veterans Services Division for them to verify the required information.

For veterans pursuing enrollments for courses not leading to a standard college degree or a farm cooperative course, a certification card is sent for completion by the veteran and a school official on a quarterly basis, as is a similar card for veterans pursuing correspondence courses. A monthly card is mailed for those pursuing on-the-job and apprenticeship training, while a monthly certification is completed for those pursuing flight training. Unlike the certification cards for institutions of higher learning, certifications for each of these types of training are required for continued payment. Exhibits 7 through 11 are copies of the certification documents mentioned.

These certification cards are not the only means by which the Veterans Administration is notified of enrollment changes. School officials are aware of the importance of prompt certification of an enrollment change and furnish information, usually on VA Form 22-1999b (see Exhibit 12). They are aware of their responsibilities and are familiar with the provisions of Title 38, United States Code, Section 1785, on school liability. The current guideline on prompt reporting is for a school to notify the Veterans Administration within 30 days of an event that affects an enrollment. This has been communicated to school officials and complied with quite well.

Generally, overpayments occur when we have issued payments for periods when, as it turns out, the student was no longer pursuing a course of education. They also occur when we have paid benefits at a higher rate, based on a student's original intention to pursue so many units of credit, and he or she subsequently drops to a lesser unit load.

We receive notice of such changes in unit course loads in several ways. The students themselves often tell us, the schools report such changes to us, and periodic compliance surveys we conduct with the schools sometimes reveal previously undetected overpayments. An example of this final way of overpayment creation is the occasional discovery that educational assistance has been paid for a course that has been repeated by a student. Payments for course repetitions are specifically prohibited by law.

What are our procedures for handling drop or discontinuance notices?

First of all, we have changed the prior policy of prepayment to one of postpayment. Checks for educational assistance no longer are mailed in advance for the forthcoming month. They are issued after the fact. In other words, a check mailed on the first day of the month is payment for the previous month's educational pursuit.

Secondly, we act on drop or discontinuance notices as priority items. By doing this, we stop or reduce the next checks that otherwise would automatically be sent.

Approximately 70 percent of our trainees under Chapter 34 are pursuing a course at an institution of higher learning. See Exhibit 13 for statistics on students in training. Inasmuch as there is no requirement for such schools to maintain attendance records, there are occasions when a veteran might cease attending classes a number of weeks prior to the school's being aware of this. While the primary responsibility of notifying the agency of a change in enrollment rests with the veteran, the school is expected to maintain sufficient records in order to notify us when a student is no longer pursuing a program.

The Nashville Regional Office has a fine staff of compliance survey specialists whose responsibility it is to assist schools in certifying properly, reviewing school records in order to insure proper compliance with the law and document areas where schools may have inadvertently or incorrectly certified enrollments. Exhibits 14 and 15 outline the number of compliance surveys accomplished and the overpayments resulting from compliance reviews. Exhibit 16 outlines overpayments created by calendar quarter back to July 1, 1976, in the education program in the State of Tennessee. Figures are available by institution for each quarter and are used by the compliance specialists for the purpose of ascertaining possible problems in a school's ability to notify the Veterans Administration of changes in student status on a timely basis. Copies of the reports are also furnished the State Approving Agency to assist them in making supervisory visits to the schools.

An analysis of quarterly average amounts of overpayments reveals a significant improvement as a result of our change in policy from prepayment to postpayment in 1977. When comparing figures for the State of Tennessee with the national average, we are doing fairly well.

Educational assistance overpayments are as unpleasant to us as they are to the students who receive our overpayment letters, but, unfortunately, they do occur. Our mission is to assist veterans and their dependents in obtaining an education leading to a career objective. We are charged with insuring that Government funds are used for this purpose. We will continue to do whatever is necessary to achieve this end.

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ATTACHMENT C

Attached is the procedure applied at the time an education loan application is received by the Regional Office. Certain veterans have educational expenses which exceed their financial resources. Congress recognized this, and in Public Law 93-508, the Vietnam Era Veterans' Readjustment Act, enacted December 3, 1974, established the veterans and dependents education loan program.

This program is intended to supplement the educational assistance programs. It affords eligible persons additional assistance to meet the ever-increasing costs of higher education. Education loans, unlike Veterans Administration's other educational benefits, must be repaid, and the program is a comparatively small one to administer. It is an important part of our overall education program, however, and its nature is sensitive because it directly addresses the financial problems people are confronting in this inflationary time.

Some important changes in eligibility and processing procedures have occurred since the program's inception. The purpose of the changes has been, of course, to insure the integrity of the loan program's intent, which was to provide additional assistance for students in high-cost educational institutions.

Before I discuss in detail our current requirements for eligibility and our procedures for processing applications, let me take a moment to give you an idea of the changes I am talking about.

The amount that an eligible person may borrow during an academic year has changed from $600 to $2,500. But, on the other hand, stringent restrictions on what applicants may and may not claim as school-related expenses were implemented August 1, 1978.

These restrictions insure that loans are not approved if real financial need does not exist. This one change has caused a significant decrease in the number of applications being approved. Exhibit 17 to my statement compares the number of applications approved before and after August 1, 1978.

Additionally, to insure that borrowers are satisfactorily pursuing their courses of education, maximum enrollment periods to which loans may apply have been designated. When the program began in 1975, an applicant could seek a loan for the entire academic year. Now, however, a separate application must be made for each semester or two quarters. We also now require a second signature on loan decisions. The concurring signature must be made by a senior claims examiner, or a higher level employee.

A requirement that the applicant must have been denied two guaranteed student loans from lending institutions has been eliminated, because it increased the likelihood of bad credit risks. Also, we may no longer authorize a loan for an applicant who has an outstanding overpayment existing from educational assistance under Chapter 34 or 35.

A further change concerns the applicant's right to appeal an unfavorable decision. The program at first included a provision only for administrative review of denied loans. Such a denial may now be appealed to the Board of Veterans Appeals in the same manner as any other VA benefit.

As well, regulations have been amended to add an additional provision for determining eligibility for an education loan. Loans will be limited to veterans and eligible persons who are attending educational institutions which have relatively high tuition and fees. A full-time student must pay $700 or more in tuition and fees for each year to be eligible for a loan. This amount is prorated for less than full-time attendance and for approved loan periods. This provision does not apply to loans granted when the applicant's delimiting date has expired.

I want to outline for you now, as briefly as I can, our current requirements for education loan eligibility, as well as procedures we follow in processing an application.

We must concern ourselves with many details in administering this important benefit, and I have tried to include only those that are essential, to give you a clear, complete picture. So, let me start by telling you who may be eligible for an education loan.

The Veterans Administration education loan program is designed for veterans, spouses, children of veterans and surviving spouses who are entitled to and receive benefits under chapters 32, 34, and 35. Their educational expenses must exceed their financial resources.

Each of the applicants must be attending an educational institution on at least a half-time basis at the time the loan is authorized. He or she must be pursuing a course of study that leads to a standard college degree. If the course does not lead to such a degree, it must lead to a predetermined vocational or professional objective. Additionally, it must require at least 6 months of study for completion. The 6-month requirement may be waived by the director at the regional office having jurisdiction over the area in which the school is located, but in no event can the course be one that requires less than 3 months completion time.

18.

No eligibility exists for persons pursuing courses consisting of correspondence, flight training, apprenticeship, or other on-the-job training and college preparatory training.

Another requirement is that loan entitlement may not exceed the applicant's number of remaining months of educational assistance allowance multiplied by the full-time monthly rate of VA assistance, currently $311. If, for example, a veteran has 5 months entitlement remaining, we can lend him no more than $1,555.

Loans may not be authorized if the needed amount is less than $50. They may not be authorized if the applicant has previously defaulted on a prior education loan, and there is a remaining payment due the Veterans Administration.

Applications for loans must be received by the VA during the period of study to which the loan will apply. If an application is received prior to the beginning of the term, and a loan is approved, payment may not be made prior to an enrollment confirmation made no earlier than the first day of the term.

The program also provides for loans to veterans, spouses and surviving spouses who are no longer entitled to educational assistance. If their 10-year delimiting period has passed and they still have unused entitlement for educational assistance, they may be eligible for a loan until November 23, 1979, or for 2 years after their delimiting date. Children are excluded from this provision, which was enacted November 23, 1977, by Public Law 95-202.

Eligibility for postdelimiting date loans requires full-time attendance in a course of study at the time the delimiting date was reached and during the period for which the loan is sought. The eligible person's educational program, additionally, must be the same one that was being pursued on the delimiting date.

Finally, a person who is authorized a loan must sign a promissory note payable to the VA. In this note, he or she promises to repay the loan by installments, or in lump sum, beginning 9 months from the date of discontinuance of school attendance or when the student ceases to attend on at least a half-time basis.

Interest is payable at the rate charged on student loans insured under Title IV of the Higher Education Act of 1965. Currently, this interest rate is 7 percent, and it is computed from the date the loan becomes payable.

Now we come to the actual process of how we decide whether to approve or to deny a loan. A claims examiner must determine the following: (1) Does the applicant meet the basic eligibility requirements, those requirements that I have just outlined; and (2) Does the applicant demonstrate a real financial need, a need that must be met in order to enter or to remain in school?

When an application for educational loan arrives, we first review the applicant's eligibility. If there is no eligibility, the application is denied at that stage. When concurred in by a higher level employee, a denial letter is sent to the applicant. It informs him or her of the specific reason why the loan cannot be made.

On the other hand, if it is determined that the applicant meets the basic eligibility requirements, the application is carefully reviewed to make sure all necessary information is there and for the signature of the educational institution's financial aid official. This signature is our verification that the applicant's claimed expenses have been reviewed by the school and are reasonable and accurate. Occasionally, a delay is encountered if the claims examiner must contact the applicant for completion of the application.

Basic eligibility existing, then, the claims examiner directs his or her attention to the applicant's financial need for a loan. A minimum need for $50 must be shown.

Loans may be authorized for as much as $1,250 for a semester, $830 for a quarter, $1,660 for two quarters or for 6 months of a nondegree course if the applicant's need warrants. Under these guidelines, a claims examiner may grant loans to a single applicant for up to $2,500 in an ordinary school year.

The basic formula for determining financial need, and, thus the loan amount, is to weigh the applicant's educational expenses against his or her financial resources. By "financial resources," we mean all funds and easily negotiable assets available to the applicant at the start of the school term.

The following elements must be considered:

Non-VA financial assistance, including, but not limited to, such things as guaranteed student loans, national direct student loans, basic education opportunity grants, supplemental education opportunity grants, college work-study payments, and any other grants, fellowship, scholarships, and loans. Such resources are considered available to the applicant if he or she has applied for them and funding is expected during the period the loan will apply.

Also to be considered are all cash contributions toward educational and living expenses that the applicant receives from family members.

Cash assets, including, but not limited to, cash on hand, amounts held in checking or savings accounts, certifications of deposit, negotiable stocks and bonds, and any other liquid available assets are considered.

VA educational assistance, such as chapter 34 benefits, to be received during the loan period, and only the portion that applies solely to the student is counted. For example, if a veteran who is applying for a loan receives a monthly benefit that includes dependency allowance for a spouse and two children, only the portion of the monthly rate that would be payable if he were single is counted.

Also considered are VA work-study benefits to be received during the loan period.

The student's income for the current year is prorated for the actual loan period. Both taxable and nontaxable incomes are considered. The student shows on the application his or her adjusted gross income from wages, business, interest, and dividends reduced by the same authorized deductions that are allowed on the Internal Revenue Service tax forms. Nontaxable income includes all income the applicant receives from sources such as VA compensation and pension, disability retirement, unemployment compensation, welfare payments, and the Social Security Administration.

These are the types of financial resources the applicant reports on the application, and the school financial aid officer verifies as accurate.

On the next part of the application form, the student lists school-related expenses to be incurred during the loan period. These expenses must be for the student only. Expenses for dependents are not included. The following items reflect our guidelines for allowable expenses:

> Books and supplies required by the school for all students. Amounts claimed in excess of $200 per semester, $113 per quarter, or $266 per other enrollment period, such as a 6-month course, must be justified by the applicant and verified by the school official who signs the application.

Other allowable expenses include room and board charges, on or off campus. If the student lives on campus, the charges are entered on the application form by the school. If the school does not provide room and board, or if the student lives off campus and commutes, the allowable expenses cannot exceed the room and board charges at the nearest State-supported university or college. Claims Examiners in the Nashville Regional Office have a guide which they consult in the processing of nearly every loan application. This guide includes a list of several schools in Tennessee giving the respective room and board charges for the current year.

A student who lives off campus may list his or her rent, utilities, and food. If living arrangements are shared with others, only the student's prorated share can be allowed. The claims examiner must then determine whether off-campus costs exceed the room and board charged at the nearest State school, and the lesser figure must be used.

Commuting expenses may also be claimed. These should reflect the actual cost of the student for a daily round trip to the school. We allow students to claim up to 12 cents per mile for a maximum daily round trip of 110 miles. This figure is expected to include all incidental costs of running an automobile, such as repairs and insurance.

Other related school expenses that may be considered include such things as health insurance at the school and miscellaneous costs such as the typing of research papers. Expenses that are paid to the school, as well as tuition and fees, are listed by the school on the application.

In computing the amount of school-related expenses from the application, the claims examiner has been given guidelines specifically excluding certain expenses from consideration. Examples of excluded expenses are: (1) Living expenses of dependents; (2) debts, both legal and personal, including amounts owed on charge accounts and bank credit cards; (3) car payments; (4) life insurance premiums; (5) home improvements; (6) recreation and entertainment; (7) charitable donations; (8) legal fees; (9) court fines and costs; (10) dependent's tuition; and (11) gifts.

An education loan worksheet is then used on which all the figures are arranged in one column. The resources are added and the total figure is entered. Then the allowable expenses are, likewise, added together, and they are subtracted from the total resources.

The resulting amount is entered on the worksheet as the amount of loan that is needed by the applicant. It is compared to:

1. The amount that the applicant has requested;
2. The maximum amount that is allowable for the particular period of study involved;
3. The maximum amount of the loan that is available for the applicant which is the full-time rate of VA educational assistance multiplied by the number of unused months of entitlement. The lesser of these four amounts is the approved loan, and it is rounded to the nearest $10.

At this point, the claims examiner signs the worksheet and the application, entering the approved loan amount on both. Instructions are given to the typing pool for preparing the promissory note and a cover letter to the applicant. Before the package is typed, however, it must be concurred in by a Senior Claims Examiner.

In the event the calculations have shown no financial need for the requested loan, a disallowance letter showing the specific reason for denial is sent to the applicant after the Senior Claims Examiner has agreed.

When the applicant receives the promissory note, he or she signs it and dates it and returns it to us. Our finance division takes over at this stage.

If the applicant disagrees with the loan amount or with a denial, he or she may appeal our decision in the same manner as any VA denial may be appealed. That is, we will send him or her a step-by-step statement showing how we made our decision. The applicant may then present new evidence to us, showing why our decision was not correct. We then review all evidence of record and if we still cannot approve the loan, we ask the Board of Veterans Appeals to make a final decision.

Occasionally, a student's anticipated resources and expenses will have changed since the original application. In that case, we can reconsider the request without resorting to the appeal process.

A loan, although needed, cannot be issued if the applicant has an outstanding overpayment of educational assistance. We notify the applicant that the loan has received conditional approval, but that payment will not be made unless the overpayment is cleared before the end of the enrollment period for which the loan is being made.

The student then notifies us when the overpayment has been recouped from his educational assistance payments, and if finance division verifies this, the loan is made.

EXHIBITS

1. Number of Active Institutions and Establishments Approved by Type as of April, 1980
2. VA Form 22-1990
3. VA Form 22-1990a
4. VA Form 1995
5. VA Form 1999
6. VA Form 21-8332a-2
7. VA Form 22-6553
8. VA Form 22-6553a
9. VA Form 22-6553b
10. VA Form 22-6553c
11. VA Form 22-6553d
12. VA Form 22-1999b
13. Education Activity - State of Tennessee
14. Number of Compliance Surveys Per Fiscal Year by Type
15. Number of Potential Overpayments and Dollar Amount
16. Report of VA Education Overpayments for the State of Tennessee
17. VA Education Loan Program Statistics
18. VA Form 22-8725
19. VA Form 22-8727
20. FL 22-891

NUMBER OF ACTIVE INSTITUTIONS AND ESTABLISHMENTS APPROVED BY [illegible]

AS OF APRIL, 1980

A. Institutions of Higher Learning		105
B. Non-college Degree		130
1. Flight Schools	12	
2. High Schools	11	
3. Farm Cooperatives	10	
4. Other non-college Degree	97	
5. Correspondence	0	
C. Apprenticeship and on-the-job Training		374
TOTAL		609

EXHIBIT 1

VETERAN'S APPLICATION FOR EDUCATIONAL BENEFITS

(Under Chapter 34, Title 38, U.S.C. - For Service Beginning Prior to January 1, 1977)

INFORMATION AND INSTRUCTIONS

How to Apply For Benefits

1. GENERAL: Read this Information and Instructions sheet carefully and then complete Items 1 through 26B on the application fully and accurately. Show "N/A" (not applicable) where appropriate.

2. SERVICE VERIFICATION: Attach a copy of your DD 214 or other Armed Forces separation papers to this application. Failure to do so may delay processing of your application while the VA verifies your service. NOTE: *If you plan to attend school while on active duty, do not use this form. Instead, complete VA Form 22-1990a, Serviceperson's Application For Educational Benefits.*

3. COUNSELING: Vocational-educational counseling from VA professionally qualified counselors is available to you. Counseling can help you assess your abilities and interests, learn about opportunities in different fields of work, and determine the kind of training and work which will best meet your needs and desires. There is no charge for counseling, but any necessary travel will be at your expense. You may request a vocational counseling appointment by entering "yes" in the box in Item 16 on the application.

(a) If you wish counseling before you select your school or training establishment, send this application directly to the nearest VA regional office.

(b) If you have already enrolled, you may still receive counseling, but your application should be taken to the school or training establishment for completion of the Enrollment Certification prior to forwarding to the VA.

4. ENROLLMENT CERTIFICATION: If you have selected a school or training establishment, have them complete the Enrollment Certification attached to this application. The entire package should then be sent to the nearest VA regional office.

5. ADVANCE PAYMENT: You may receive an advance payment for the initial month or partial month of your training plus the following month if: (a) You enroll in a school course on at least a half-time basis; (b) Your school agrees to process the advance payment; (c) You request advance payment by completing Items 16B and 16C on the Enrollment Certification portion of this application (your school must complete all other items on the Enrollment Certification); and (d) Your application is received by the VA at least 30 days in advance of registration. Advance payment checks are mailed to the school for delivery to you upon registration but no earlier than 30 days before classes begin.

General Information

6. ELIGIBILITY: You may be eligible to receive benefits if you served on active duty for a period of more than 180 days, any part of which occurred after January 31, 1955, and before January 1, 1977. You may also be eligible if: (a) You contracted with the Armed Forces prior to January 1, 1977 under a delayed entry program (such as the Delayed Enlistment Program) and your active service began within 1 year after January 1, 1977 and was for a period of more than 180 days; or if (b) You served during either of the period indicated above for less than 181 days but were discharged for service-connected disability. Discharge or release under conditions other than dishonorable is also a requirement.

7. DELIMITING DATE: You must complete your program within 10 years after your last discharge from active duty after January 31, 1955, but in no event later than December 31, 1989.

8. ELIGIBILITY FOR VOCATIONAL REHABILITATION: If you have a service-connected disability of 10 percent or more, you may be entitled to vocational rehabilitation under chapter 31, Title 38, U.S.C., which usually provides more favorable benefits. Use VA Form 22-1900, Disabled Veterans Application For Vocational Rehabilitation, to apply for chapter 31 benefits.

9. ENTITLEMENT: You will generally receive 1-1/2 months of entitlement for each month or fraction of a month served on active duty after January 31, 1955, up to a maximum of 45 months. If you had 18 months of continuous service, you will receive the maximum of 45 months of entitlement.

10. EDUCATIONAL ASSISTANCE ALLOWANCE: The law grants you a monthly allowance to help you meet in part the cost of your subsistence, tuition, fees, books, supplies and other costs of the course. The amount of educational assistance allowance will be based on your rate of training and, if half-time or more, on the number of your dependents. Checks will normally be issued at the first of each month for the preceding month's training, except for advance payment checks which are issued at the time of registration.

You will generally be paid through a break period of less than a calendar month between terms unless you request otherwise. If you wish to conserve entitlement by not receiving benefits during these intervals you should notify the VA. Students enrolled in a course not leading to a standard college degree will have their payments reduced for any excessive absences (i.e., absences in excess of 30, based on attendance of 5 days per week over a 12-month period).

11. SCHOOLS AND TRAINING ESTABLISHMENTS YOU MAY ATTEND: You may attend elementary schools, high schools, vocational or technical schools, business colleges, colleges and universities, correspondence schools and flight schools which have been approved by the State approving agency. Benefits are also payable while you are in training in an approved apprenticeship, on-the-job training, or cooperative farm training program.

12. HIGH SCHOOL COURSES: If you do not have a high school diploma or the equivalent or you need review or remedial courses to qualify for admission for a degree or vocational program, you may receive benefits without charge to your entitlement.

13. HOME STUDY COURSES: If you are considering enrolling in a home study course or combination correspondence-residence course, be sure the field is suitable to your abilities and interests before you sign a contract with the school. Information on home study courses is available at the nearest U.S. Veterans Assistance Center (USVAC) or VA

VA FORM FEB 1978 22-1990

SUPERSEDES VA FORM 22-1990, SEP 1976, WHICH WILL NOT BE USED.

CONTINUED ON REVERSE

EXHIBIT 2

regional office. VA counseling is available to you upon request. You may wish to further consider your decision or get help from a VA counselor before signing a contract which may require you to pay for all or the majority of the course even though you complete only a portion of it.

NOTE: The law provides that a contract for enrollment in a home study course must be affirmed by the student more than 10 days following the date the contract was signed; for example, if the contract is dated on the 1st of a month, the affirmation must be dated on or after the 12th. No payments of educational assistance allowance will be authorized by the VA for any lessons serviced by the school prior to the date of affirmation of the contract. If you decide not to enroll in a correspondence course after signing a contract but before signing the affirmation, you are entitled to receive a full refund from the school of any payment made for the course.

14. FLIGHT TRAINING COURSES: If you are considering enrolling in a flight training program you must have a valid private pilot's license in order to receive VA benefits. In addition, you must have the required Medical Certificate which must be kept current throughout your course.

NOTE: A second-class medical certificate is required for all courses for which VA benefits are payable with the exception of the Airline Transportation Pilot course which requires a first-class medical certificate. A second-class medical certificate expires on the last day of the 12th month after the month of the examination date shown on the certificate. A first-class medical certificate expires on the last day of the sixth month after the month of the examination. You will not be entitled to VA benefits for any flight training pursued when either condition is not met.

15. RESTRICTIONS:

(a) You may receive benefits only for courses approved for veterans by the State approving agency.

(b) You may receive benefits only for courses leading to an educational, professional or vocational objective for which you are not already qualified.

(c) You may not receive benefits for courses which you have previously taken and successfully completed. (Exceptions: (1) You may take up to 6 months of refresher training to allow you to keep abreast of technological advances that have occurred in your field of employment during and since the period of your active military service. (2) You may take refresher courses which are required to receive a high school diploma if you do not have a high school diploma or equivalency certificate. (3) You may take refresher courses required for admission to a college or other school.)

(d) The law prohibits the approval of a program for a recreational or an avocational purpose, such as dancing.

(e) Courses in bartending or personality development are prohibited by law.

(f) The law prohibits payment for any course or courses which are paid for in whole or in part by the United States under the Government Employees Training Act during any period that full salary is being paid to you as an employee of the United States.

(g) The law prohibits a school from cashing your checks under a power of attorney from you.

(h) The law prohibits payment for auditing a course or payment for any course for which the grade assigned is not used in computing requirements for graduation.

16. CHANGE OF PROGRAM: You may change your program one time without counseling, provided your progress and conduct have been satisfactory. A change of program is a change in your educational, professional or vocational objective. Additional changes may be approved only after VA counseling. You should plan your program carefully so that not more than one change is required.

17. CHANGES IN YOUR ENROLLMENT: You and your school must inform the VA of any changes in your enrollment that would affect benefits. If you reduce your course load or withdraw from all courses, benefits will ordinarily be reduced or discontinued from the beginning of the term unless mitigating circumstances are shown. You will generally be held responsible for any overpayments resulting from changes in your enrollment.

18. CHANGES TO BE REPORTED TO THE VA: It is most important that you promptly inform the VA of any change in your address or in the number of your dependents. You should promptly notify your school of any change in your enrollment so that they can make the required report to the VA.

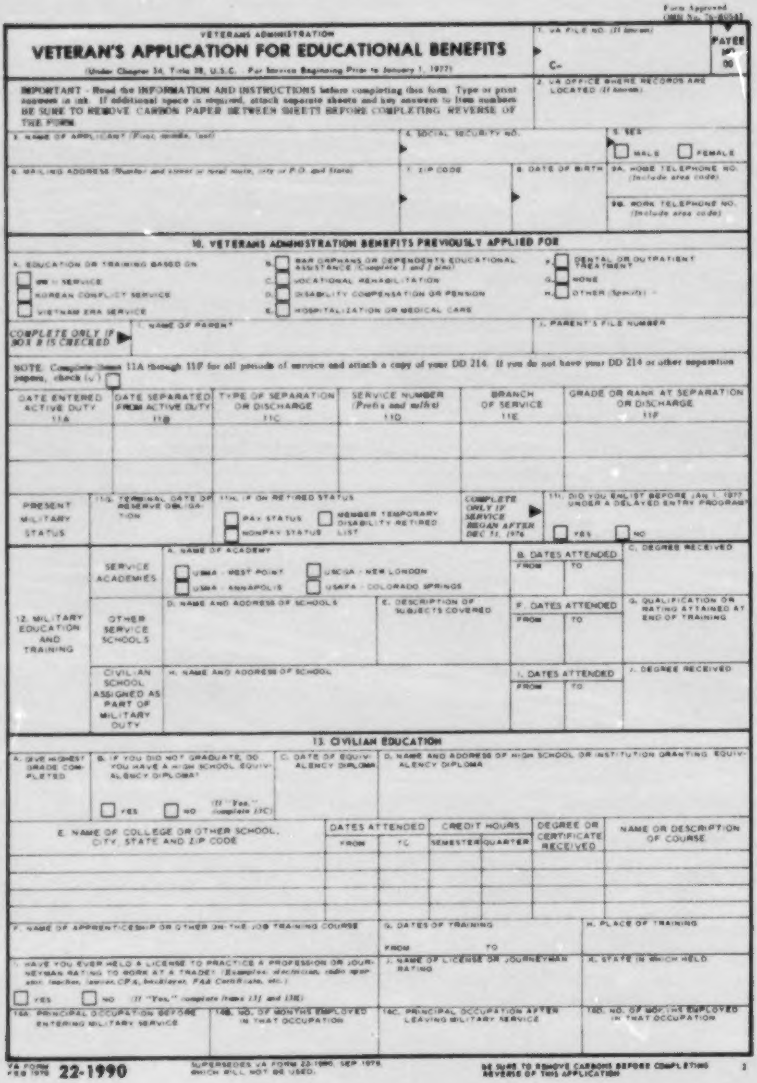
19. UNSATISFACTORY PROGRESS OR CONDUCT: Benefits will be discontinued if you fail to maintain satisfactory progress or conduct. Resumption of benefits may be authorized if it is determined through counseling that the cause for the unsatisfactory progress or conduct has been removed and that the program selected is suitable to your aptitudes, interests, and abilities.

20. FURTHER ASSISTANCE: If you need assistance to complete this application form or if you require further information, contact the nearest VA regional office or the Vet Rep on Campus. Additional VA educational benefits for which you may apply are tutorial assistance, education loan, or a work-study position.

NOTE: PLEASE REMOVE CARBON SHEETS BEFORE COMPLETING THE REVERSE OF THE APPLICATION. RETAIN THIS INFORMATION AND INSTRUCTIONS SHEET FOR FUTURE REFERENCE.

PRIVACY ACT INFORMATION

No benefits may be paid unless a completed application form has been received (38 U.S.C. 1671). The information requested on this form is necessary to determine your eligibility to the benefits for which you are applying. The responses which are submitted may be disclosed outside the Veterans Administration as permitted by law.



Form Approved
OMB No. 76-R0541

VETERANS ADMINISTRATION

VETERAN'S APPLICATION FOR EDUCATIONAL BENEFITS

(Under Chapter 34, Title 38, U.S.C. - For Service Beginning Prior to January 1, 1977)

1. VA FILE NO. (If known) ▶ C-

PAYEE NO. 00

IMPORTANT - Read the INFORMATION AND INSTRUCTIONS before completing this form. Type or print answers in ink. If additional space is required, attach separate sheets and key answers to item numbers. BE SURE TO REMOVE CARBON PAPER BETWEEN SHEETS BEFORE COMPLETING REVERSE OF THE FORM.

2. VA OFFICE WHERE RECORDS ARE LOCATED (If known)

3. NAME OF APPLICANT (First, middle, last)

4. SOCIAL SECURITY NO. ▶

5. SEX ▶ ☐ MALE ☐ FEMALE

6. MAILING ADDRESS (Number and street or rural route, city or P.O. and State)

7. ZIP CODE ▶

8. DATE OF BIRTH ▶

9A. HOME TELEPHONE NO. (Include area code)

9B. WORK TELEPHONE NO. (Include area code)

10. VETERANS ADMINISTRATION BENEFITS PREVIOUSLY APPLIED FOR

A. EDUCATION OR TRAINING BASED ON
- ☐ WW II SERVICE
- ☐ KOREAN CONFLICT SERVICE
- ☐ VIETNAM ERA SERVICE

B. ☐ WAR ORPHANS OR DEPENDENTS EDUCATIONAL ASSISTANCE (Complete I and J also)
C. ☐ VOCATIONAL REHABILITATION
D. ☐ DISABILITY COMPENSATION OR PENSION
E. ☐ HOSPITALIZATION OR MEDICAL CARE
F. ☐ DENTAL OR OUTPATIENT TREATMENT
G. ☐ NONE
H. ☐ OTHER (Specify) -

COMPLETE ONLY IF BOX B IS CHECKED ▶ I. NAME OF PARENT | J. PARENT'S FILE NUMBER

NOTE: Complete Items 11A through 11F for all periods of service and attach a copy of your DD 214. If you do not have your DD 214 or other separation papers, check (✓) ☐

DATE ENTERED ACTIVE DUTY 11A	DATE SEPARATED FROM ACTIVE DUTY 11B	TYPE OF SEPARATION OR DISCHARGE 11C	SERVICE NUMBER (Prefix and suffix) 11D	BRANCH OF SERVICE 11E	GRADE OR RANK AT SEPARATION OR DISCHARGE 11F

PRESENT MILITARY STATUS

11G. TERMINAL DATE OF RESERVE OBLIGATION

11H. IF ON RETIRED STATUS ☐ PAY STATUS ☐ NONPAY STATUS ☐ MEMBER TEMPORARY DISABILITY RETIRED LIST

COMPLETE ONLY IF SERVICE BEGAN AFTER DEC 31, 1976 ▶ 11I. DID YOU ENLIST BEFORE JAN 1, 1977 UNDER A DELAYED ENTRY PROGRAM? ☐ YES ☐ NO

12. MILITARY EDUCATION AND TRAINING

SERVICE ACADEMIES
A. NAME OF ACADEMY ☐ USMA - WEST POINT ☐ USNA - ANNAPOLIS ☐ USCGA - NEW LONDON ☐ USAFA - COLORADO SPRINGS
B. DATES ATTENDED FROM TO
C. DEGREE RECEIVED

OTHER SERVICE SCHOOLS
D. NAME AND ADDRESS OF SCHOOLS
E. DESCRIPTION OF SUBJECTS COVERED
F. DATES ATTENDED FROM TO
G. QUALIFICATION OR RATING ATTAINED AT END OF TRAINING

CIVILIAN SCHOOL ASSIGNED AS PART OF MILITARY DUTY
H. NAME AND ADDRESS OF SCHOOL
I. DATES ATTENDED FROM TO
J. DEGREE RECEIVED

13. CIVILIAN EDUCATION

A. GIVE HIGHEST GRADE COMPLETED

B. IF YOU DID NOT GRADUATE, DO YOU HAVE A HIGH SCHOOL EQUIVALENCY DIPLOMA? ☐ YES ☐ NO (If "Yes," complete 13C)

C. DATE OF EQUIVALENCY DIPLOMA

D. NAME AND ADDRESS OF HIGH SCHOOL OR INSTITUTION GRANTING EQUIVALENCY DIPLOMA

E. NAME OF COLLEGE OR OTHER SCHOOL, CITY, STATE AND ZIP CODE	DATES ATTENDED		CREDIT HOURS		DEGREE OR CERTIFICATE RECEIVED	NAME OR DESCRIPTION OF COURSE
	FROM	TO	SEMESTER	QUARTER		

F. NAME OF APPRENTICESHIP OR OTHER ON-THE-JOB TRAINING COURSE

G. DATES OF TRAINING FROM TO

H. PLACE OF TRAINING

I. HAVE YOU EVER HELD A LICENSE TO PRACTICE A PROFESSION OR JOURNEYMAN RATING TO WORK AT A TRADE? (Examples: electrician, radio operator, teacher, lawyer, CPA, bricklayer, FAA Certificate, etc.) ☐ YES ☐ NO (If "Yes," complete Items 13J and 13K)

J. NAME OF LICENSE OR JOURNEYMAN RATING

K. STATE IN WHICH HELD

14A. PRINCIPAL OCCUPATION BEFORE ENTERING MILITARY SERVICE

14B. NO. OF MONTHS EMPLOYED IN THAT OCCUPATION

14C. PRINCIPAL OCCUPATION AFTER LEAVING MILITARY SERVICE

14D. NO. OF MONTHS EMPLOYED IN THAT OCCUPATION

VA FORM FEB 1978 **22-1990** SUPERSEDES VA FORM 22-1990, SEP 1976, WHICH WILL NOT BE USED.

BE SURE TO REMOVE CARBONS BEFORE COMPLETING REVERSE OF THIS APPLICATION 1

15. IF YOU ARE APPLYING FOR A VOCATIONAL FLIGHT COURSE, COMPLETE A AND B BELOW.

A. PREVIOUS AVIATION EXPERIENCE		B. FAA CERTIFICATES AND RATINGS
AIRCRAFT MODEL		
HOURS		

PROGRAM OF EDUCATION AND ENROLLMENT INFORMATION

16. IF YOU WANT PROFESSIONAL COUNSELING TO HELP YOU PLAN YOUR EDUCATIONAL OR VOCATIONAL PROGRAM WRITE "YES" IN THE BOX PROVIDED AND A COUNSELING APPOINTMENT WILL BE ARRANGED. YOU WILL BE NOTIFIED OF THE TIME AND PLACE. ▶ ☐

17A. IF YOU KNOW THE PROGRAM YOU WANT, WHAT IS THE FINAL EDUCATIONAL, PROFESSIONAL OR VOCATIONAL GOAL YOU PLAN TO REACH THROUGH THE PROGRAM FOR WHICH YOU ARE APPLYING? *(Highest degree or occupation)*

17B. IF YOU HAVE SELECTED YOUR PROGRAM, DESCRIBE THE COURSE YOU WILL BE TAKING *(List each diploma and degree or vocational course)*

17C. EDUCATION FOR TRAINING WILL BE BY

☐ SCHOOL ATTENDANCE
☐ CORRESPONDENCE
☐ APPRENTICE OR ON-THE-JOB
☐ FLIGHT TRAINING
☐ FARM COOPERATIVE

17D. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

18. DATE YOUR PROGRAM WILL BEGIN *(Month, day, year)*

19. IF YOU ARE AN EMPLOYEE OF THE UNITED STATES GOVERNMENT, DO YOU EXPECT TO RECEIVE NON-VA EDUCATIONAL BENEFITS UNDER THE GOVERNMENT EMPLOYEES TRAINING ACT FOR ANY COURSE OR COURSES DURING THIS PERIOD OF EDUCATION?

☐ YES ☐ NO *(If "Yes," furnish details on separate sheet)*

20. DO YOU PLAN TO TAKE ANY REFRESHER COURSES?

☐ YES ☐ NO *(If "Yes," list refresher course(s) by name and number and give your reasons for needing such training on a separate sheet)*

MARITAL STATUS AND DEPENDENCY INFORMATION *(Submit marriage certificate if either was married before)*

21A. MARITAL STATUS *(Check one)*

☐ NEVER MARRIED ☐ WIDOWED
☐ MARRIED ☐ DIVORCED

21B. WAS YOUR CURRENT MARRIAGE PERFORMED BY

☐ CLERGYMAN OR AUTHORIZED PUBLIC OFFICIAL
☐ OTHER *(Explain)*

21C. NO. OF TIMES YOU HAVE BEEN MARRIED

21D. NO. OF TIMES YOUR PRESENT SPOUSE HAS BEEN MARRIED

21E. PRESENT ADDRESS OF SPOUSE

	TO WHOM MARRIED (A)	DATE AND PLACE OF MARRIAGE (B)	HOW MARRIAGE TERMINATED *(Death, divorce)* (C)	DATE AND PLACE OF TERMINATION (D)
22. YOUR PRESENT MARRIAGE AND ANY PREVIOUS MARRIAGES				
23. PREVIOUS MARRIAGES OF YOUR PRESENT SPOUSE				

DEPENDENT CHILDREN—List each of your living unmarried children who is: (A) under 18 years of age, or (B) over 18 and under 23 years and attending school or (C) a child of any age who become permanently incapable of self-support due to physical or mental illness before age 18. If you have more than four children, list additional children on a separate sheet. *(NOTE: A certified copy of the public or church record of birth or court record of adoption is required if the child is adopted, a stepchild or illegitimate child.)*

24A. FULL NAME OF CHILD	24B. DATE OF BIRTH *(Mo., day, year)*	24C. PLACE OF BIRTH	24D. NAME AND ADDRESS OF PERSON HAVING CUSTODY OF CHILD

NOTE – Please identify in Items 24E and 24F any child named above who is over 18 years old and is attending school or is permanently incapable of self-support.

24E. NAME OF CHILD OVER 18 YEARS

24F. STATUS OF CHILD

☐ PERMANENTLY INCAPABLE OF SELF-SUPPORT
☐ ATTENDING SCHOOL *(If checked, submit VA Form 21-674)*

25A. ARE EITHER YOUR FATHER OR MOTHER DEPENDENT ON YOU FOR SUPPORT?

☐ YES ☐ NO *(If "Yes," answer Item 25B and submit VA Form 21-509)*

25B. NAME AND ADDRESS OF DEPENDENT PARENT(S)

I HEREBY CERTIFY THAT all statements herein are true and complete to the best of my knowledge and belief, and I herewith apply for a program of education, or training under Chapter 34, Title 38, USC. I authorize release of school and testing records to the VA for use in counseling me and supervising my program of education and training.

26A. DATE SIGNED

26B. SIGNATURE OF VETERAN *(Do NOT print)*

SIGN HERE IN INK ▶

PENALTY – Willful false statements as to a material fact in a claim for education is a punishable offense and may result in fine or imprisonment or both.

VETERANS ADMINISTRATION

ENROLLMENT CERTIFICATION

(Under Chapter 34, Title 38, United States Code)

1A. VA FILE NO.

C-

1B. VA OFFICE WHERE RECORDS ARE LOCATED (If known)

IMPORTANT - INSTRUCTIONS TO SCHOOLS AND TRAINING ESTABLISHMENTS: Complete both copies of this Enrollment Certification. Send the VA copy (copy 3) to the VA with the veteran's application and DD 214. Retain the school copy (copy 4) for your records.

2A. NAME OF STUDENT OR TRAINEE (First, middle, last)

2B. SOCIAL SECURITY NO.

3. SEX ☐ MALE ☐ FEMALE

4A. MAILING ADDRESS (Number and street or rural route, city or P.O. and State)

4B. ZIP CODE

5. DATE OF BIRTH

6A. HOME TELEPHONE NO. (Include area code)

6B. WORK TELEPHONE NO. (Include area code)

GENERAL INFORMATION

IMPORTANT: In Item 7 below, check the type of course being certified and complete other indicated items if they apply. Always complete Items 18A thru 18C after reading the Certifications on reverse.

7. TYPE OF COURSE

☐ UNDERGRADUATE STANDARD COLLEGE DEGREE (Complete Items 8-11, 13 and 16)

☐ COOPERATIVE COURSE (Not Farm) (Complete Items 8-12, 15 and 16)

☐ CORRESPONDENCE COURSE (Complete Items 8 and 20)

☐ GRADUATE OR ADVANCED PROFESSIONAL DEGREE (Complete Items 8-14 and 16) (For residencies and internships, enter clock hours in Item 12.)

☐ FARM COOPERATIVE (Complete Items 8-10, 12 and 15)

☐ FLIGHT TRAINING (Complete Items 8 and 19)

☐ COURSE NOT LEADING TO A STANDARD COLLEGE DEGREE (NCD) (If approved on a clock hour basis, complete Items 8-10 12, 13, 15 and 16. If approved on a credit hour basis, complete Items 8-11, 13, 15 and 16)

☐ APPRENTICE/ON-THE-JOB TRAINING (Complete Items 8 &21)

8. NAME OF CURRENT COURSE OR OBJECTIVE

9. CREDIT ALLOWED FOR PREVIOUS TRAINING OR EXPERIENCE

ENROLLMENT DATA

10. ENROLLMENT EFFECTIVE DATE (Month, day, year)		11. CREDIT HOUR LOAD (For courses approved on a credit hour basis)				12. CLOCK HOUR LOAD	13. CHARGES FOR PERIOD OF INSTRUCTION		14. TRAINING TIME GRADUATE OR ADVANCED PROFESSIONAL
SCHOOLS ON A TERM BASIS: Enter period to be certified. SCHOOLS ON A YEAR-ROUND BASIS: Certify the length of the course. CO-OP (NOT FARM): Enter dates of attendance for each phase of instruction. (Identify phase as "classroom" or "On-job.") FOR IN-SERVICE OR LESS THAN 1/2 TIME STUDENTS: Certify one term at a time.		*Enter number of credit hours for which credit may be given. (Residence instruction only.)*	*Enter number of standard class sessions per week (VAR 14200G) if less than Item 11A.*	*Enter credit equivalent of non-credit deficiency, remedial or refresher courses. (List courses in Item 22 "Remarks.")*	*Enter credit equivalent of independent study. (Show separate dates in Item 10.)*	*Enter clock hours of attendance per week for courses approved on a clock hour basis. For Co-op (not farm), enter clock hours per week of "On-job" attendance for each phase.*	*Complete only if:* *1 - Student enrolled for less than 1/2 time.* *2 - Student in-service.* *3 - Student pursuing independent study.*		*Enter full time, 3/4 time, 1/2 time, more than 1/4 but less than 1/2 time, or 1/4 time or less.*
A. BEGINNING	B. ENDING	A. HOURS	B. HOURS	C. HOURS	D. HOURS	HOURS	A. TUITION	B. FEES	

15. ADDITIONAL INFORMATION FOR NCD AND FARM CO-OP

ALL NCD AND FARM CO-OP COURSES

A. CHECK DAYS OF ATTENDANCE

☐ M ☐ TU ☐ W

☐ TH ☐ F ☐ SAT

HIGH SCHOOLS APPROVED ON A UNIT BASIS

B. ENTER NUMBER OF HIGH SCHOOL UNITS FOR WHICH CURRENTLY ENROLLED

FARM CO-OP ONLY

C. IS STUDENT PURSUING THIS COURSE CONCURRENTLY WITH AGRICULTURAL EMPLOYMENT?

☐ YES ☐ NO

D. DOES STUDENT'S PERIOD OF ENROLLMENT INCLUDE PRE-SCHEDULED CLASSROOM INSTRUCTION?

☐ YES ☐ NO (If "Yes," attach schedule of attendance for each prescheduled enrollment period or show in Item 22, "Remarks.")

16. ADVANCE PAYMENT REQUEST

NOTE: To request ADVANCE PAYMENT, the student must either complete Items 16B and 16C or sign and date a separate request attached to this form. If the student qualifies, the advance payment check will be mailed to the school for delivery to the student.

A. ADVANCE PAYMENT ☐ (Check box if advance payment is requested)

I REQUEST ADVANCE PAYMENT ▶

B. SIGNATURE OF STUDENT

C. DATE

CERTIFICATIONS - *The provisions on the Reverse (Items (1) through (13) under "Certifications") are certified:*

NOTE: Complete Item 17 only if course(s) are contracted out to another school or are given at a branch location other than that shown in Item 18C. Do not complete Item 17 if course(s) are taken at an "additional facility" of a school as defined in VAR 14251(F).

17. NAME AND ADDRESS OF CONTRACT SCHOOL OR BRANCH LOCATION

18A. DATE SIGNED

18B. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

18C. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

CAUTION: Willful false statements concerning matters in any document required by this law may subject the person to fine or imprisonment or both.

VA FORM FEB 1979 **22-1990**

VA COPY 3

NOTE: REMOVE CARBON PAPER BEFORE COMPLETING THIS SIDE

19. VOCATIONAL FLIGHT TRAINING *(Chapters 32 and 34 only)*

A. CREDIT ALLOWED FOR PREVIOUS TRAINING *(Show rating(s) and/or number of hours of instruction)*

RATING(S)	GROUND SCHOOL	DUAL	SOLO

B. DATE TRAINING BEGAN IN CURRENT COURSE

C. NUMBER OF HOURS/UNITS OF INSTRUCTION

PRE-FLIGHT	POST-FLIGHT	GROUND SCHOOL	DUAL	SOLO

D. TOTAL CHARGES

$

20. CORRESPONDENCE COURSE *(Chapters 32, 34 and 35 (spouses and surviving spouses))*

IMPORTANT - VA Form 22-1999c, Certificate of Affirmation of Enrollment Agreement, MUST be signed by this student and accompany this certification form before payment may be authorized by the VA for a correspondence course.

A. CREDIT ALLOWED FOR PREVIOUS TRAINING AND EXPERIENCE

LESSONS

B. DATE FIRST LESSON SENT TO STUDENT

C. NUMBER OF LESSONS FOR WHICH STUDENT IS ENROLLED

D. CHARGE PER LESSON TO STUDENT

$

E. WERE ANY LESSONS SERVICED PRIOR TO DATE ENTERED IN ITEM 18A?

☐ YES ☐ NO *(If "Yes," attach list showing lesson number and date serviced or show in Item 22, "Remarks.")*

21. APPRENTICE/ON-THE-JOB TRAINING *(Attach list showing monthly number of hours worked to date or show in Item 22, "Remarks.")*

IMPORTANT - A signed copy of the training agreement outlining the training program and wage scale as approved by the State approving agency, or for apprentices, any document signed by the trainee incorporating this agreement by reference, must be attached to this form.

A. CREDIT ALLOWED FOR PERVIOUS TRAINING AND EXPERIENCE

MONTHS

TRAINING DATES *(Month/day/year)*

B. BEGINNING

C. ENDING

D. TYPE OF TRAINING

☐ APPRENTICESH[illegible] OTHER [illegible]-THE-JOB

E. NO. OF HOURS TRAINEE IS EMPLOYED PER WEEK IN THIS COURSE

HRS.

F. NO. OF HOURS IN STANDARD WORK WEEK

HRS.

22. REMARKS *(Attach separate sheets if necessary and key [illegible])*

CERTIFICATIONS – *Read Certifications below before completing Items 18A through 18C on front of this form.*

IT IS HEREBY CERTIFIED THAT: (1) The facts stated on this form are true and correct;

(2) The course or courses certified are approved by the State approving agency and are generally acceptable to meet requirements for the student's educational, professional or vocational objective;

(3) No course certified is a repetition of any course previously satisfactorily completed except as permitted by VA regulations;

(4) This institution holds no power of attorney agreement authorizing the institution to negotiate VA educational assistance checks;

(5) This institution agrees to report promptly to the VA any enrollment changes which will affect the educational assistance allowance and any change due to unsatisfactory progress and/or conduct; and

(6) That all such changes that have come to our attention have been reported to the VA if this student was previously enrolled at this school;

(7) FOR ENROLLMENTS REQUESTING ADVANCE PAYMENT: It is agreed that the initial check for this enrollment period will be mailed to the school for temporary care and delivery to the student upon registration but not earlier than 30 days before the commencement of training. It is understood that completion of a certificate of delivery card will normally be required upon delivery of the advance payment;

(8) FOR NONCREDIT DEFICIENCY, REMEDIAL OR REFRESHER COURSES: The courses certified are (a) required to receive a secondary school diploma or (b) necessary for the pursuit of a program of education for which the student would otherwise be eligible.

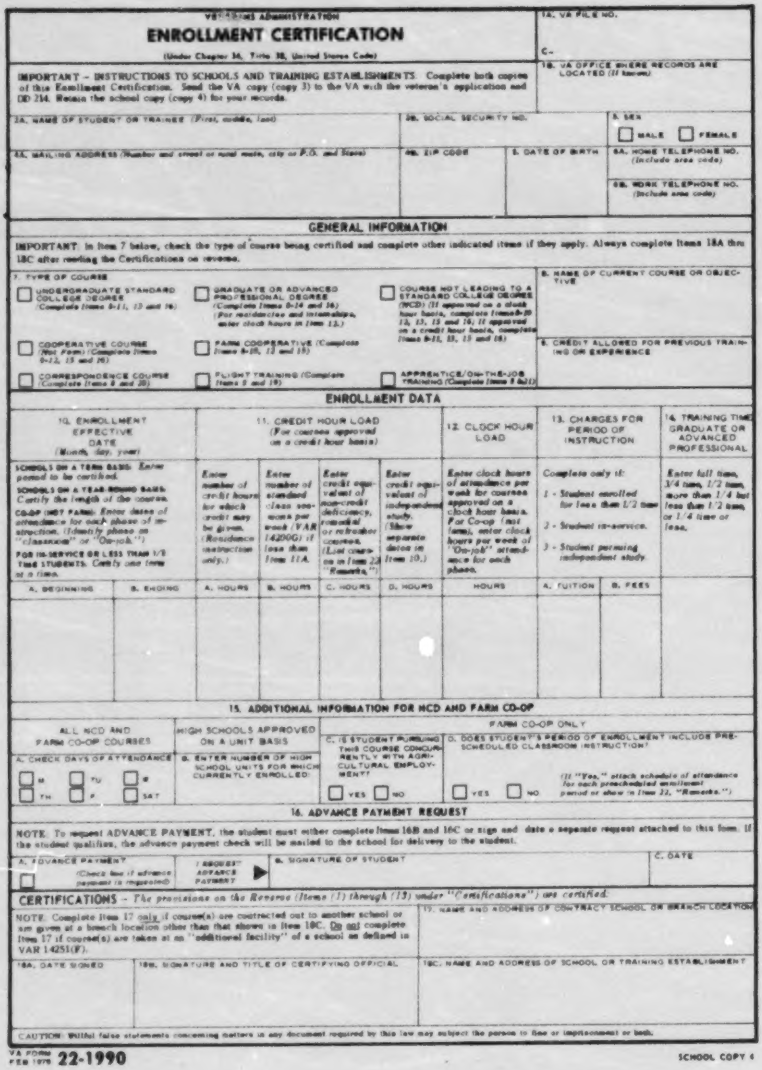
(9) FOR CORRESPONDENCE COURSES: The normal completion time for the correspondence course certified (includes the correspondence portion of a combination course leading to a vocational objective) is not less than 6 months;

(10) FOR FLIGHT TRAINING: Student has private pilot's license and copy of required Medical Certificate is on file in this institution;

(11) FOR ANY COURSE WITH A VOCATIONAL OBJECTIVE: As of the most recent report of employment, at least 50 percent of students who completed the course in the preceding 2-year period, and who were not unavailable for employment, had been employed in the vocational field for which trained;

(12) FOR TELEVISION COURSES: The courses included in this enrollment which are offered by open-circuit television constitute less than ½ of the total credit hours certified;

(13) FOR ENROLLMENTS UNDER CHAPTER 34: All of the 85-15 ratio requirements have been satisfied.



VETERANS ADMINISTRATION

ENROLLMENT CERTIFICATION

(Under Chapter 34, Title 38, United States Code)

1A. VA FILE NO.

C-

IMPORTANT – INSTRUCTIONS TO SCHOOLS AND TRAINING ESTABLISHMENTS. Complete both copies of this Enrollment Certification. Send the VA copy (copy 3) to the VA with the veteran's application and DD 214. Retain the school copy (copy 4) for your records.

1B. VA OFFICE WHERE RECORDS ARE LOCATED (If known)

2A. NAME OF STUDENT OR TRAINEE (First, middle, last)

2B. SOCIAL SECURITY NO.

3. SEX ☐ MALE ☐ FEMALE

4A. MAILING ADDRESS (Number and street or rural route, city or P.O. and State)

4B. ZIP CODE

5. DATE OF BIRTH

6A. HOME TELEPHONE NO. (Include area code)

6B. WORK TELEPHONE NO. (Include area code)

GENERAL INFORMATION

IMPORTANT: In Item 7 below, check the type of course being certified and complete other indicated items if they apply. Always complete Items 18A thru 18C after reading the Certifications on reverse.

7. TYPE OF COURSE

- ☐ UNDERGRADUATE STANDARD COLLEGE DEGREE (Complete Items 8-11, 13 and 16)
- ☐ GRADUATE OR ADVANCED PROFESSIONAL DEGREE (Complete Items 8-14 and 16) (For residencies and internships, enter clock hours in Item 12.)
- ☐ COURSE NOT LEADING TO A STANDARD COLLEGE DEGREE (NCD) (If approved on a clock hour basis, complete Items 8-10, 12, 13, 15 and 16; if approved on a credit hour basis, complete Items 8-11, 13, 15 and 16)
- ☐ COOPERATIVE COURSE (Not Farm) (Complete Items 8-12, 15 and 16)
- ☐ FARM COOPERATIVE (Complete Items 8-10, 12 and 15)
- ☐ CORRESPONDENCE COURSE (Complete Items 8 and 20)
- ☐ FLIGHT TRAINING (Complete Items 8 and 19)
- ☐ APPRENTICE/ON-THE-JOB TRAINING (Complete Items 8 & 21)

8. NAME OF CURRENT COURSE OR OBJECTIVE

9. CREDIT ALLOWED FOR PREVIOUS TRAINING OR EXPERIENCE

ENROLLMENT DATA

10. ENROLLMENT EFFECTIVE DATE (Month, day, year)		11. CREDIT HOUR LOAD (For courses approved on a credit hour basis)				12. CLOCK HOUR LOAD	13. CHARGES FOR PERIOD OF INSTRUCTION		14. TRAINING TIME GRADUATE OR ADVANCED PROFESSIONAL
SCHOOLS ON A TERM BASIS: Enter period to be certified. SCHOOLS ON A YEAR-ROUND BASIS: Certify the length of the course. CO-OP (NOT FARM): Enter dates of attendance for each phase of instruction. (Identify phase as "classroom" or "On-job.") FOR IN-SERVICE OR LESS THAN 1/2 TIME STUDENTS: Certify one term at a time.		Enter number of credit hours for which credit may be given. (Residence instruction only.)	Enter number of standard class sessions per week (VAR 14200G) if less than Item 11A.	Enter credit equivalent of non-credit deficiency, remedial or refresher courses. (List courses in Item 22 "Remarks.")	Enter credit equivalent of independent study. (Show separate dates in Item 10.)	Enter clock hours of attendance per week for courses approved on a clock hour basis. For Co-op (not farm), enter clock hours per week of "On-job" attendance for each phase.	Complete only if: 1 - Student enrolled for less than 1/2 time 2 - Student in-service. 3 - Student pursuing independent study.		Enter full time, 3/4 time, 1/2 time, more than 1/4 but less than 1/2 time, or 1/4 time or less.
A. BEGINNING	B. ENDING	A. HOURS	B. HOURS	C. HOURS	D. HOURS	HOURS	A. TUITION	B. FEES	

15. ADDITIONAL INFORMATION FOR NCD AND FARM CO-OP

ALL NCD AND FARM CO-OP COURSES

A. CHECK DAYS OF ATTENDANCE ☐ M ☐ TU ☐ W ☐ TH ☐ F ☐ SAT

HIGH SCHOOLS APPROVED ON A UNIT BASIS

B. ENTER NUMBER OF HIGH SCHOOL UNITS FOR WHICH CURRENTLY ENROLLED:

FARM CO-OP ONLY

C. IS STUDENT PURSUING THIS COURSE CONCURRENTLY WITH AGRICULTURAL EMPLOYMENT? ☐ YES ☐ NO

D. DOES STUDENT'S PERIOD OF ENROLLMENT INCLUDE PRESCHEDULED CLASSROOM INSTRUCTION? ☐ YES ☐ NO (If "Yes," attach schedule of attendance for each prescheduled enrollment period or show in Item 22, "Remarks.")

16. ADVANCE PAYMENT REQUEST

NOTE: To request ADVANCE PAYMENT, the student must either complete Items 16B and 16C or sign and date a separate request attached to this form. If the student qualifies, the advance payment check will be mailed to the school for delivery to the student.

A. ADVANCE PAYMENT ☐ (Check box if advance payment is requested)

I REQUEST ADVANCE PAYMENT ▶ B. SIGNATURE OF STUDENT

C. DATE

CERTIFICATIONS – *The provisions on the Reverse (Items (1) through (13) under "Certifications") are certified.*

NOTE: Complete Item 17 only if course(s) are contracted out to another school or are given at a branch location other than that shown in Item 18C. Do not complete Item 17 if course(s) are taken at an "additional facility" of a school as defined in VAR 14251(F).

17. NAME AND ADDRESS OF CONTRACT SCHOOL OR BRANCH LOCATION

18A. DATE SIGNED

18B. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

18C. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

CAUTION: Willful false statements concerning matters in any document required by this law may subject the person to fine or imprisonment or both.

VA FORM FEB 1978 **22-1990**

SCHOOL COPY 4

NOTE: REMOVE CARBON PAPER BEFORE COMPLETING THIS SIDE

19. VOCATIONAL FLIGHT TRAINING *(Chapters 32 and 34 only)*

A. CREDIT ALLOWED FOR PREVIOUS TRAINING *(Show rating(s) and/or number of hours of instruction)*				B. DATE TRAINING BEGAN IN CURRENT COURSE
RATING(S)	GROUND SCHOOL	DUAL	SOLO	

C. NUMBER OF HOURS/UNITS OF INSTRUCTION					D. TOTAL CHARGES
PRE-FLIGHT	POST-FLIGHT	GROUND SCHOOL	DUAL	SOLO	$

20. CORRESPONDENCE COURSE *(Chapters 32, 34 and 35 (spouses and surviving spouses))*

IMPORTANT - VA Form 22-1999c, Certificate of Affirmation of Enrollment Agreement, MUST be signed by this student and accompany this certification form before payment may be authorized by the VA for a correspondence course.	A. CREDIT ALLOWED FOR PREVIOUS TRAINING AND EXPERIENCE LESSONS

B. DATE FIRST LESSON SENT TO STUDENT	C. NUMBER OF LESSONS FOR WHICH STUDENT IS ENROLLED	D. CHARGE PER LESSON TO STUDENT $	E. WERE ANY LESSONS SERVICED PRIOR TO DATE ENTERED IN ITEM 18A? ☐ YES ☐ NO *(If "Yes," attach list showing lesson number and date serviced or show in Item 22, "Remarks.")*

21. APPRENTICE/ON-THE-JOB TRAINING *(Attach list showing monthly number of hours worked to date or show in Item 22, "Remarks.")*

IMPORTANT - A signed copy of the training agreement outlining the training program and wage scale as approved by the State approving agency, or for apprentices, any document signed by the trainee incorporating this agreement by reference, must be attached to this form.	A. CREDIT ALLOWED FOR PERVIOUS TRAINING AND EXPERIENCE MONTHS

TRAINING DATES *(Month/day/year)*		D. TYPE OF TRAINING	E. NO. OF HOURS TRAINEE IS EMPLOYED PER WEEK IN THIS COURSE	F. NO. OF HOURS IN STANDARD WORK WEEK
B. BEGINNING	C. ENDING	☐ APPRENTICESHIP ☐ OTHER ON-THE-JOB	HRS.	HRS.

22. REMARKS *(Attach separate sheets if necessary and key answers to Item numbers.)*

CERTIFICATIONS – *Read Certifications below before completing Items 18A through 18C on front of this form.*

IT IS HEREBY CERTIFIED THAT: (1) The facts stated on this form are true and correct;

(2) The course or courses certified are approved by the State approving agency and are generally acceptable to meet requirements for the student's educational, professional or vocational objective;

(3) No course certified is a repetition of any course previously satisfactorily completed except as permitted by VA regulations;

(4) This institution holds no power of attorney agreement authorizing the institution to negotiate VA educational assistance checks;

(5) This institution agrees to report promptly to the VA any enrollment changes which will affect the educational assistance allowance and any change due to unsatisfactory progress and/or conduct; and

(6) That all such changes that have come to our attention have been reported to the VA if this student was previously enrolled at this school;

(7) FOR ENROLLMENTS REQUESTING ADVANCE PAYMENT: It is agreed that the initial check for this enrollment period will be mailed to the school for temporary care and delivery to the student upon registration but not earlier than 30 days before the commencement of training. It is understood that completion of a certificate of delivery card will normally be required upon delivery of the advance payment;

(8) FOR NONCREDIT DEFICIENCY, REMEDIAL OR REFRESHER COURSES: The courses certified are (a) required to receive a secondary school diploma or (b) necessary for the pursuit of a program of education for which the student would otherwise be eligible.

(9) FOR CORRESPONDENCE COURSES: The normal completion time for the correspondence course certified (includes the correspondence portion of a combination course leading to a vocational objective) is not less than 6 months;

(10) FOR FLIGHT TRAINING: Student has private pilot's license and copy of required Medical Certificate is on file in this institution;

(11) FOR ANY COURSE WITH A VOCATIONAL OBJECTIVE: As of the most recent report of employment, at least 50 percent of students who completed the course in the preceding 2-year period, and who were not unavailable for employment, had been employed in the vocational field for which trained;

(12) FOR TELEVISION COURSES: The courses included in this enrollment which are offered by open-circuit television constitute less than ½ of the total credit hours certified;

(13) FOR ENROLLMENTS UNDER CHAPTER 34: All of the 85-15 ratio requirements have been satisfied.

INFORMATION AND INSTRUCTIONS FOR COMPLETION OF SERVICEPERSON'S APPLICATION FOR EDUCATIONAL BENEFITS

(Under Chapter 34, Title 38, U.S.C. – G.I. Bill For Service Which Began Before 1-1-77)

HOW TO APPLY FOR BENEFITS

NOTE: Do not use this form if you will begin school after discharge from service. (Instead, use VA Form 22-1990, Veterans Application for Educational Benefits, and submit a copy of your DD 214 or other evidence of your release from service.)

1. **GENERAL:** Read this Information and Instructions sheet carefully and then complete Part I of the application fully and accurately. Show "N/A" (not applicable) where appropriate.

2. **EDUCATION SERVICES OFFICER'S CERTIFICATION:** Part II of the application must be completed by your education services officer to show that you have consulted with him or her concerning your program.

3. **COMMANDING OFFICER:** Part III of the application must be completed and signed by your commanding officer or his designee.

4. **COUNSELING:** If you are undecided about your program of education or training, consult your education services officer, or you can also get vocational-educational counseling help from the VA. You may request counseling by completing Item 16A. There is no charge for counseling, but any necessary travel will be at your expense. Counseling is available only to those who can appear for an appointment when scheduled and is not available in foreign countries except the Republic of the Philippines.

5. **ENROLLMENT CERTIFICATION:** If you have selected a school or training establishment, have them complete the enrollment certification attached to this application. The entire package should then be sent to the nearest VA regional office.

6. **ADVANCE PAYMENT:** You may receive an advance payment of your educational allowance if: (a) you enroll in a school course on at least a 1/2-time basis; (b) your school agrees to process the advance payment; (c) you request advance payment by completing Items 16B and 16C on the enrollment certification portion of this application (your school must complete all other items on the Enrollment Certification); and (d) your application is received in the VA at least 30 days in advance of registration. Advance payment checks are mailed to the school for delivery to you at registration but no earlier than 30 days before classes begin.

GENERAL INFORMATION

7. **ELIGIBILITY:** You may be eligible to receive benefits if you entered service prior to January 1, 1977 and you have served more than 180 consecutive days on active duty.

> You may also be eligible if (a) you had a prior period of honorable service of more than 180 days after January 31, 1955 and beginning before January 1, 1977, or (b) you contracted with the Armed Forces prior to January 1, 1977 under a delayed entry program such as the Delayed Enlistment Program and your active service began within one year after January 1, 1977, and was for a period of more than 180 days.

8. **ELIGIBILITY FOR VOCATIONAL REHABILITATION:** If you are hospitalized pending final discharge from active service, you may be entitled to Vocational Rehabilitation under chapter 31, Title 38, U.S.C. which usually provides more favorable benefits. Use VA Form 22-1900 to apply for Vocational Rehabilitation benefits.

9. **ENTITLEMENT:** You will generally receive 1-1/2 months of entitlement for each month or fraction of a month service on active duty after January 31, 1955 up to a maximum of 45 months.

10. **EDUCATIONAL ASSISTANCE ALLOWANCE:** The amount of educational assistance allowance for institutional courses will be limited to reimbursement for tuition costs but may not exceed the amount a single veteran would receive for the same course(s). For institutional courses of less than 5 months, full payment will be issued in a lump-sum check. Students enrolled in a course not leading to a standard college degree will have their payment reduced for any excessive absences (i.e., absences in excess of 30, based on attendance of 5 days per week over a 12-month period).

11. **SCHOOLS AND TRAINING ESTABLISHMENTS YOU MAY ATTEND:** You may attend elementary schools, high schools, vocational or technical schools, business colleges, colleges and universities, correspondence schools and flight schools which have been approved by the State approving agency.

12. **HOME STUDY COURSES:** If you are considering enrolling in a home study course or combination correspondence-residence course, be sure the field is suitable to your abilities and interests before you sign a contract with the school. Information on home study courses is available at the nearest U.S. Veterans Assistance Center (USVAC) or VA regional office. VA counseling is available to you upon request. You may wish to further consider your decision or get help from a VA counselor before signing a contract which may require you to pay for all or the majority of the course even though you complete only a portion of it.

(Continued on reverse)

EXHIBIT 3

VA FORM FEB 1978 22-1990a

SUPERSEDES VA FORM 22-1990a, SEP 1976, WHICH WILL NOT BE USED.

NOTE: The law provides that a contract for enrollment in a home study course must be affirmed by the student more than 10 days following the date the contract was signed; for example, if the contract is dated on the 1st of a month, the affirmation must be dated on or after the 12th. No payments of educational assistance allowance will be authorized by the VA for any lessons serviced by the school prior to the date of affirmation of the contract. If you decide not to enroll in a correspondence course after signing a contract but before signing the affirmation, you are entitled to receive a full refund from the school of any payment made for the course.

13. FLIGHT TRAINING COURSES: If you are considering enrolling in a flight training program, you must have a valid private pilot's license in order to receive VA benefits. In addition, you must have the required Medical Certificate which must be kept current throughout your course. *NOTE: A second-class medical certificate is required for all courses for which VA benefits are payable with the exception of the Airline Transportation Pilot course which requires a first-class medical certificate. A second-class medical certificate expires on the last day of the 12th month after the month of the examination date shown on the certificate. A first-class medical certificate expires on the last day of the 6th month after the month of the examination. You will not be entitled to VA benefits for any flight training pursued when either condition is not met.*

14. RESTRICTIONS:

a. You may receive benefits only for courses approved for veterans by the State approving agency.

b. You may receive benefits only for courses leading to an educational, professional or vocational objective for which you are not already qualified.

c. You may not receive benefits for courses which you have previously taken and successfully completed. (Exception - You may take refresher courses required for admission to a college or other school.)

d. The law prohibits the approval of a program for a recreational or an avocational purpose such as dancing.

e. Courses in bartending or personality development are prohibited by law.

f. The law prohibits payment for any course or courses which are paid for in whole or in part by the Armed Forces or the Public Health Service.

g. The law prohibits a school from cashing your checks under a power of attorney from you.

h. The law prohibits payment for auditing a course or payment for any course for which the grade assigned is not used in computing requirements for graduation.

15. CHANGE OF PROGRAM: You may change your program one time without counseling provided your progress and conduct have been satisfactory. A change of program is a change in your educational, professional or vocational objective. Additional changes may be approved only after VA counseling. You should plan your program carefully so that not more than one change is required.

16. CHANGES IN YOUR ENROLLMENT: You and your school must inform the VA of any changes in your enrollment that would affect benefits. If you reduce your course load or withdraw from all courses, benefits will ordinarily be reduced or discontinued from the beginning of the term unless mitigating circumstances are shown. You will generally be held responsible for any overpayments resulting from changes in your enrollment.

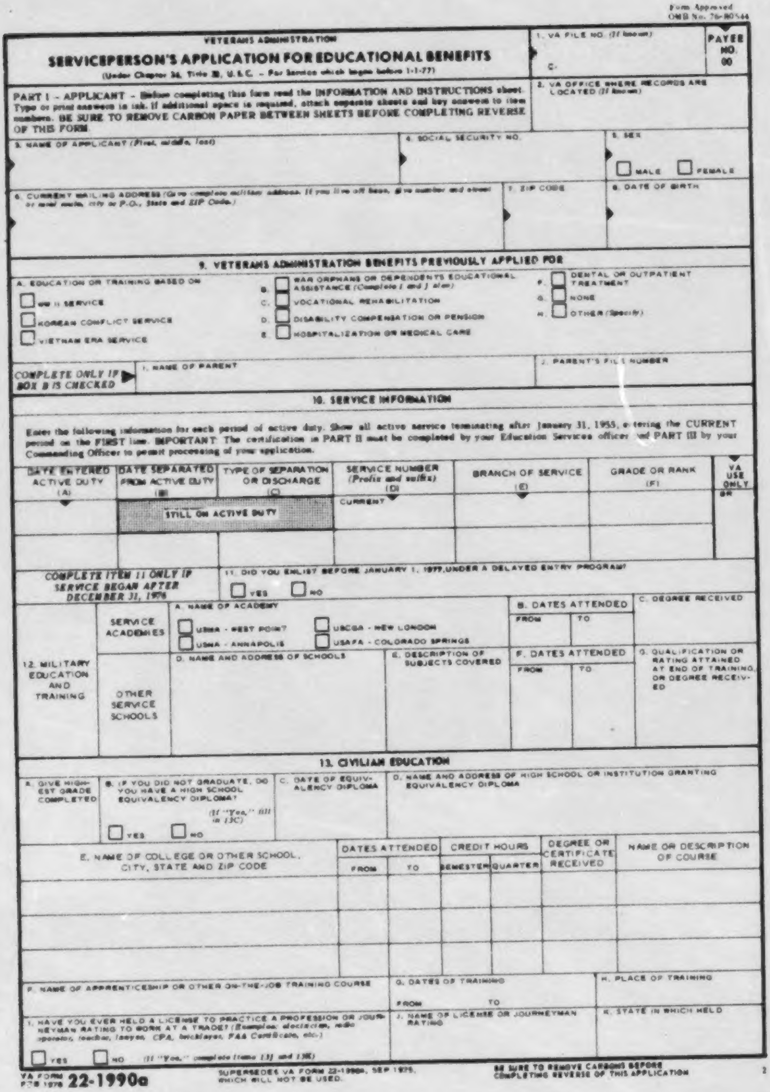
17. CHANGES TO BE REPORTED TO THE VA: It is most important that you promptly inform the VA of any changes in your address. You should promptly notify your school of any change in your enrollment so that they can make the required report to the VA.

18. UNSATISFACTORY PROGRESS OR CONDUCT: Benefits will be discontinued if you fail to maintain satisfactory progress or conduct in accordance with the standards of your school and VA guidelines. Resumption of benefits may be authorized if it is determined through counseling that the cause for the unsatisfactory progress or conduct has been removed and that the program selected is suitable to your aptitudes, interests, and abilities.

19. FURTHER ASSISTANCE: Military education services officers are your primary source of information and assistance concerning educational opportunities in the Armed Forces, including VA benefits. Additional information and assistance may be obtained from any VA office or United States Veterans Assistance Center (USVAC). Local representatives of the various veterans organizations and the American Red Cross also have information and forms available. You may wish to inquire about additional VA educational benefits such as tutorial assistance, education loans, or a work-study position.

PRIVACY ACT INFORMATION

No benefits may be paid unless a completed application form has been received (38 U.S.C. 1671). The information requested on this form is necessary to determine your eligibility to the benefits for which you are applying. The responses which are submitted may be disclosed outside the Veterans Administration as permitted by law.



Form Approved
OMB No. 76-R0544

VETERANS ADMINISTRATION

SERVICEPERSON'S APPLICATION FOR EDUCATIONAL BENEFITS

(Under Chapter 34, Title 38, U.S.C. – For Service which began before 1-1-77)

1. VA FILE NO. (If known) C-

PAYEE NO. 00

2. VA OFFICE WHERE RECORDS ARE LOCATED (If known)

PART I – APPLICANT – Before completing this form read the INFORMATION AND INSTRUCTIONS sheet. Type or print answers in ink. If additional space is required, attach separate sheets and key answers to item numbers. BE SURE TO REMOVE CARBON PAPER BETWEEN SHEETS BEFORE COMPLETING REVERSE OF THIS FORM.

3. NAME OF APPLICANT (First, middle, last)

4. SOCIAL SECURITY NO.

5. SEX ☐ MALE ☐ FEMALE

6. CURRENT MAILING ADDRESS (Give complete military address. If you live off base, give number and street or rural route, city or P.O., State and ZIP Code.)

7. ZIP CODE

8. DATE OF BIRTH

9. VETERANS ADMINISTRATION BENEFITS PREVIOUSLY APPLIED FOR

A. EDUCATION OR TRAINING BASED ON
☐ WW II SERVICE
☐ KOREAN CONFLICT SERVICE
☐ VIETNAM ERA SERVICE

B. ☐ WAR ORPHANS OR DEPENDENTS EDUCATIONAL ASSISTANCE (Complete I and J also)
C. ☐ VOCATIONAL REHABILITATION
D. ☐ DISABILITY COMPENSATION OR PENSION
E. ☐ HOSPITALIZATION OR MEDICAL CARE

F. ☐ DENTAL OR OUTPATIENT TREATMENT
G. ☐ NONE
H. ☐ OTHER (Specify)

COMPLETE ONLY IF BOX B IS CHECKED ▶ I. NAME OF PARENT — J. PARENT'S FILE NUMBER

10. SERVICE INFORMATION

Enter the following information for each period of active duty. Show all active service terminating after January 31, 1955, entering the CURRENT period on the FIRST line. IMPORTANT: The certification in PART II must be completed by your Education Services officer and PART III by your Commanding Officer to permit processing of your application.

DATE ENTERED ACTIVE DUTY (A)	DATE SEPARATED FROM ACTIVE DUTY (B)	TYPE OF SEPARATION OR DISCHARGE (C)	SERVICE NUMBER (Prefix and suffix) (D)	BRANCH OF SERVICE (E)	GRADE OR RANK (F)	VA USE ONLY
	STILL ON ACTIVE DUTY		CURRENT			BR

COMPLETE ITEM 11 ONLY IF SERVICE BEGAN AFTER DECEMBER 31, 1976

11. DID YOU ENLIST BEFORE JANUARY 1, 1977, UNDER A DELAYED ENTRY PROGRAM? ☐ YES ☐ NO

12. MILITARY EDUCATION AND TRAINING

SERVICE ACADEMIES — A. NAME OF ACADEMY
☐ USMA - WEST POINT ☐ USCGA - NEW LONDON
☐ USNA - ANNAPOLIS ☐ USAFA - COLORADO SPRINGS

B. DATES ATTENDED FROM TO

C. DEGREE RECEIVED

OTHER SERVICE SCHOOLS — D. NAME AND ADDRESS OF SCHOOLS

E. DESCRIPTION OF SUBJECTS COVERED

F. DATES ATTENDED FROM TO

G. QUALIFICATION OR RATING ATTAINED AT END OF TRAINING, OR DEGREE RECEIVED

13. CIVILIAN EDUCATION

A. GIVE HIGHEST GRADE COMPLETED

B. IF YOU DID NOT GRADUATE, DO YOU HAVE A HIGH SCHOOL EQUIVALENCY DIPLOMA? (If "Yes," fill in 13C) ☐ YES ☐ NO

C. DATE OF EQUIVALENCY DIPLOMA

D. NAME AND ADDRESS OF HIGH SCHOOL OR INSTITUTION GRANTING EQUIVALENCY DIPLOMA

E. NAME OF COLLEGE OR OTHER SCHOOL, CITY, STATE AND ZIP CODE	DATES ATTENDED		CREDIT HOURS		DEGREE OR CERTIFICATE RECEIVED	NAME OR DESCRIPTION OF COURSE
	FROM	TO	SEMESTER	QUARTER		

F. NAME OF APPRENTICESHIP OR OTHER ON-THE-JOB TRAINING COURSE

G. DATES OF TRAINING FROM TO

H. PLACE OF TRAINING

I. HAVE YOU EVER HELD A LICENSE TO PRACTICE A PROFESSION OR JOURNEYMAN RATING TO WORK AT A TRADE? (Examples: electrician, radio operator, teacher, lawyer, CPA, bricklayer, FAA Certificate, etc.) ☐ YES ☐ NO (If "Yes," complete items 13J and 13K)

J. NAME OF LICENSE OR JOURNEYMAN RATING

K. STATE IN WHICH HELD

VA FORM FEB 1978 **22-1990a**

SUPERSEDES VA FORM 22-1990a, SEP 1975, WHICH WILL NOT BE USED.

BE SURE TO REMOVE CARBONS BEFORE COMPLETING REVERSE OF THIS APPLICATION

2

IF YOU ARE APPLYING FOR A VOCATIONAL FLIGHT COURSE, COMPLETE ITEMS 14A AND 14B

14A. PREVIOUS AVIATION EXPERIENCE		14B. FAA CERTIFICATES AND RATINGS
AIRCRAFT MODEL		
HOURS		

15A. PRINCIPAL OCCUPATION BEFORE ENTERING MILITARY SERVICE	15B. NO. OF MONTHS EMPLOYED IN THAT OCCUPATION

PROGRAM OF EDUCATION AND ENROLLMENT INFORMATION

16A. IF YOU WANT PROFESSIONAL COUNSELING TO HELP YOU PLAN YOUR EDUCATIONAL OR VOCATIONAL PROGRAM WRITE "YES" IN THE BOX PROVIDED AND A COUNSELING APPOINTMENT WILL BE ARRANGED. YOU WILL BE NOTIFIED OF THE TIME AND PLACE. ▶ ☐

16B. IF YOU KNOW THE PROGRAM YOU WANT, WHAT IS THE FINAL EDUCATIONAL, PROFESSIONAL OR VOCATIONAL GOAL YOU PLAN TO REACH THROUGH THE PROGRAM FOR WHICH YOU ARE APPLYING? *(Highest degree or occupation)*	16C. IF YOU HAVE SELECTED YOUR PROGRAM, DESCRIBE THE COURSE YOU WILL BE TAKING *(List each diploma and degree or vocational course.)*
16D. EDUCATION OR TRAINING WILL BE BY ☐ SCHOOL ATTENDANCE ☐ FLIGHT TRAINING ☐ CORRESPONDENCE	16E. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT
17. DATE YOUR PROGRAM WILL BEGIN *(Month, day, year)*	18. DO YOU EXPECT TO RECEIVE NON-VA EDUCATIONAL BENEFITS FROM THE ARMED FORCES OR THE PUBLIC HEALTH SERVICE FOR ANY COURSE OR COURSES DURING THIS PERIOD OF EDUCATION? ☐ YES ☐ NO *(If "Yes," furnish full details in Item 19, "Remarks.")*

19. REMARKS

I HEREBY CERTIFY that all statements made herein are true and complete to the best of my knowledge and belief and I herewith apply for a program of education under Chapter 34, Title 38, United States Code. I authorize release of school and testing records to the VA for use in counseling me and supervising my program of education and training.

20A. DATE SIGNED	20B. SIGNATURE OF APPLICANT *(Do Not Print)* SIGN HERE IN INK ▶

PENALTY – Willfully false statements as to a material fact in a claim for education is a punishable offense and may result in the forfeiture of these or other benefits and in criminal penalties.

PART II – ARMED FORCES EDUCATION SERVICES OFFICER'S CERTIFICATION

I certify that this individual has consulted with me regarding his or her educational program.

21A. DATE SIGNED	21B. SIGNATURE AND TITLE OF EDUCATION SERVICES OFFICER *(GS grade or rank and branch of service)*

PART III – COMMANDING OFFICER'S CERTIFICATION OF SERVICE

I CERTIFY THAT the records of this individual, who is under my command, are correct and I verify the accuracy and completeness of the service and type of discharge or separation shown in Items 10A through 10F, Item 11, and the entries in Items 12A through 12G.

AND, that of the active duty shown above, the following period(s) reflect:

a. Fulltime assignment by a service department to a civilian school for a course of education substantially the same as established courses for civilians.

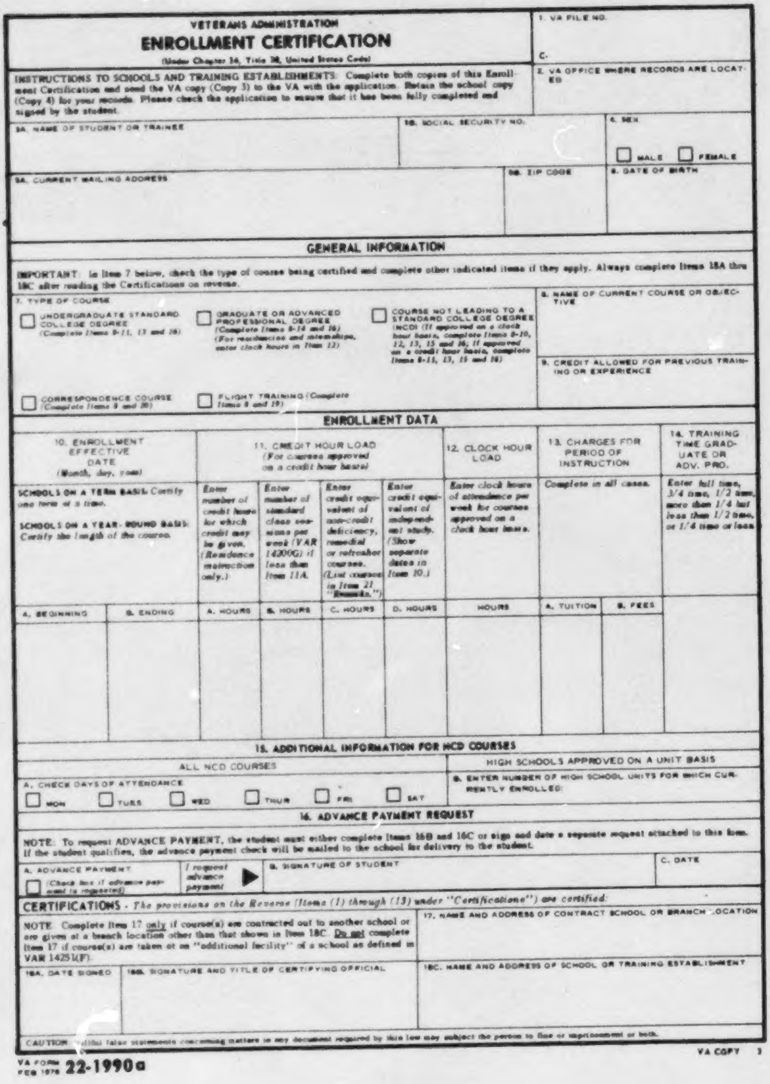
b. Time served under the provisions of Title 10 U.S.C., Section 511(d) (Reserve or National Guard Active duty for training.)

c. Non-creditable time. (Time lost because of industrial or agricultural furlough, under arrest without acquittal, AWOL, desertion, undergoing sentence of courtmartial, etc.)

FROM *(Month, day, year)*	TO *(Month, day, year)*	SPECIFY WHETHER SCHOOLING, RESERVE OR TIME LOST *(If none, write "NONE")*

22A. DATE	22B. SIGNATURE OF COMMANDING OFFICER OR DESIGNEE	22C. UNIT

65



VETERANS ADMINISTRATION

ENROLLMENT CERTIFICATION

(Under Chapter 34, Title 38, United States Code)

1. VA FILE NO.

C-

2. VA OFFICE WHERE RECORDS ARE LOCATED

INSTRUCTIONS TO SCHOOLS AND TRAINING ESTABLISHMENTS: Complete both copies of this Enrollment Certification and send the VA copy (Copy 3) to the VA with the application. Retain the school copy (Copy 4) for your records. Please check the application to ensure that it has been fully completed and signed by the student.

3A. NAME OF STUDENT OR TRAINEE

3B. SOCIAL SECURITY NO.

4. SEX ☐ MALE ☐ FEMALE

5A. CURRENT MAILING ADDRESS

5B. ZIP CODE

6. DATE OF BIRTH

GENERAL INFORMATION

IMPORTANT: In Item 7 below, check the type of course being certified and complete other indicated items if they apply. Always complete Items 18A thru 18C after reading the Certifications on reverse.

7. TYPE OF COURSE

☐ UNDERGRADUATE STANDARD COLLEGE DEGREE *(Complete Items 8-11, 13 and 16)*

☐ GRADUATE OR ADVANCED PROFESSIONAL DEGREE *(Complete Items 8-14 and 16) (For residencies and internships, enter clock hours in Item 12)*

☐ COURSE NOT LEADING TO A STANDARD COLLEGE DEGREE (NCD) *(If approved on a clock hour basis, complete Items 8-10, 12, 13, 15 and 16; if approved on a credit hour basis, complete Items 8-11, 13, 15 and 16)*

☐ CORRESPONDENCE COURSE *(Complete Items 8 and 20)*

☐ FLIGHT TRAINING *(Complete Items 8 and 19)*

8. NAME OF CURRENT COURSE OR OBJECTIVE

9. CREDIT ALLOWED FOR PREVIOUS TRAINING OR EXPERIENCE

ENROLLMENT DATA

10. ENROLLMENT EFFECTIVE DATE *(Month, day, year)*		11. CREDIT HOUR LOAD *(For courses approved on a credit hour basis)*				12. CLOCK HOUR LOAD	13. CHARGES FOR PERIOD OF INSTRUCTION		14. TRAINING TIME GRADUATE OR ADV. PRO.
SCHOOLS ON A TERM BASIS: Certify one term at a time. **SCHOOLS ON A YEAR-ROUND BASIS:** Certify the length of the course.		*Enter number of credit hours for which credit may be given. (Residence instruction only.)*	*Enter number of standard class sessions per week (VAR 14200G) if less than Item 11A.*	*Enter credit equivalent of non-credit deficiency, remedial or refresher courses. (List courses in Item 21 "Remarks.")*	*Enter credit equivalent of independent study. (Show separate dates in Item 10.)*	*Enter clock hours of attendance per week for courses approved on a clock hour basis.*	*Complete in all cases.*		*Enter full time, 3/4 time, 1/2 time, more than 1/4 but less than 1/2 time, or 1/4 time or less.*
A. BEGINNING	B. ENDING	A. HOURS	B. HOURS	C. HOURS	D. HOURS	HOURS	A. TUITION	B. FEES	

15. ADDITIONAL INFORMATION FOR NCD COURSES

ALL NCD COURSES

A. CHECK DAYS OF ATTENDANCE ☐ MON ☐ TUES ☐ WED ☐ THUR ☐ FRI ☐ SAT

HIGH SCHOOLS APPROVED ON A UNIT BASIS

B. ENTER NUMBER OF HIGH SCHOOL UNITS FOR WHICH CURRENTLY ENROLLED:

16. ADVANCE PAYMENT REQUEST

NOTE: To request ADVANCE PAYMENT, the student must either complete Items 16B and 16C or sign and date a separate request attached to this form. If the student qualifies, the advance payment check will be mailed to the school for delivery to the student.

A. ADVANCE PAYMENT ☐ *(Check box if advance payment is requested)*

I request advance payment ▶

B. SIGNATURE OF STUDENT

C. DATE

CERTIFICATIONS - *The provisions on the Reverse (Items (1) through (13) under "Certifications") are certified:*

NOTE: Complete Item 17 only if course(s) are contracted out to another school or are given at a branch location other than that shown in Item 18C. Do not complete Item 17 if course(s) are taken at an "additional facility" of a school as defined in VAR 14251(F).

17. NAME AND ADDRESS OF CONTRACT SCHOOL OR BRANCH LOCATION

18A. DATE SIGNED

18B. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

18C. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

CAUTION: Willful false statements concerning matters in any document required by this law may subject the person to fine or imprisonment or both.

VA FORM FEB 1976 **22-1990a**

VA COPY 3

19. VOCATIONAL FLIGHT TRAINING *(Chapters 32 and 34 only)*

A. CREDIT ALLOWED FOR PREVIOUS TRAINING *(Show rating(s) and/or number of hours of instruction)*				B. DATE TRAINING BEGAN IN CURRENT COURSE
RATING(S)	GROUND SCHOOL	DUAL	SOLO	

C. NUMBER OF HOURS/UNITS OF INSTRUCTION					D. TOTAL CHARGES
PRE-FLIGHT	POST-FLIGHT	GROUND SCHOOL	DUAL	SOLO	$

20. CORRESPONDENCE COURSE *(Chapters 32, 34 and 35 (spouses and surviving spouses))*

IMPORTANT - VA Form 22-1999c, Certificate of Affirmation of Enrollment Agreement, MUST be signed by this student and accompany this certification form before payment may be authorized by the VA for a correspondence course.	A. CREDIT ALLOWED FOR PREVIOUS TRAINING AND EXPERIENCE LESSONS

B. DATE FIRST LESSON SENT TO STUDENT	C. NUMBER OF LESSONS FOR WHICH STUDENT IS ENROLLED	D. CHARGE PER LESSON TO STUDENT $	E. WERE ANY LESSONS SERVICED PRIOR TO DATE ENTERED IN ITEM 18A? ☐ YES ☐ NO *(If "Yes," attach list showing lesson number and date serviced or show in Item 21, "Remarks.")*

21. REMARKS *(Attach separate sheets if necessary and key answers to item numbers.)*

CERTIFICATIONS – *Read Certifications below before completing Items 18A through 18C on front of this form.*

IT IS HEREBY CERTIFIED THAT: (1) The facts stated on this form are true and correct;

(2) The course of courses certified are approved by the State approving agency and are generally acceptable to meet requirements for the student's educational, professional or vocational objective;

(3) No course certified is a repetition of any course previously satisfactorily completed except as permitted by VA regulations;

(4) This institution holds no power of attorney agreement authorizing the institution to negotiate VA educational assistance checks;

(5) This institution agrees to report promptly to the VA any enrollment changes which will affect the educational assistance allowance and any change due to unsatisfactory progress and/or conduct; and

(6) That all such changes that have come to our attention have been reported to the VA if this student was previously enrolled at this school;

(7) FOR ENROLLMENTS REQUESTING ADVANCE PAYMENT: It is agreed that the initial check for this enrollment period will be mailed to the school for temporary care and delivery to the student upon registration but not earlier than 30 days before the commencement of training. It is understood that completion of a certificate of delivery card will normally be required upon delivery of the advance payment;

(8) FOR NONCREDIT DEFICIENCY, REMEDIAL OR REFRESHER COURSES: The courses certified are (a) required to receive a secondary school diploma or (b) necessary to the pursuit of a program of education which the student would be eligible but for the lack;

(9) FOR CORRESPONDENCE COURSES: The normal completion time for the correspondence course certified (includes the correspondence portion of a combination course leading to a vocational objective) is not less than 6 months;

(10) FOR FLIGHT TRAINING: Student has private pilot's license and copy of required Medical Certificate is on file in this institution;

(11) FOR ANY COURSE WITH A VOCATIONAL OBJECTIVE: As of the most recent report of employment, at least 50 percent of students who completed the course in the preceding 2-year period, and who were not unavailable for employment, had been employed in the vocational field for which trained;

(12) FOR TELEVISION COURSES: The courses included in this enrollment which are offered by open-circuit televison constitute less than 1/2 of the total credit hours certified;

(13) FOR ENROLLMENTS UNDER CHAPTER 34: All of the 85-15 ratio requirements have been satisfied.

VETERANS ADMINISTRATION

ENROLLMENT CERTIFICATION

(Under Chapter 34, Title 38, United States Code)

1. VA FILE NO.

C-

2. VA OFFICE WHERE RECORDS ARE LOCATED

INSTRUCTIONS TO SCHOOLS AND TRAINING ESTABLISHMENTS. Complete both copies of this Enrollment Certification and send the VA copy (Copy 3) to the VA with the application. Retain the school copy (Copy 4) for your records. Please check the application to ensure that it has been fully completed and signed by the student.

3A. NAME OF STUDENT OR TRAINEE

4B. SOCIAL SECURITY NO.

4. SEX ☐ MALE ☐ FEMALE

5A. CURRENT MAILING ADDRESS

5B. ZIP CODE

6. DATE OF BIRTH

GENERAL INFORMATION

IMPORTANT: In Item 7 below, check the type of course being certified and complete other indicated items if they apply. Always complete Items 18A thru 18C after reading the Certifications on reverse.

7. TYPE OF COURSE

☐ UNDERGRADUATE STANDARD COLLEGE DEGREE (Complete Items 8-11, 13 and 16)

☐ GRADUATE OR ADVANCED PROFESSIONAL DEGREE (Complete Items 8-14 and 16) (For residencies and internships, enter clock hours in Item 12)

☐ COURSE NOT LEADING TO A STANDARD COLLEGE DEGREE (NCD) (If approved on a clock hour basis, complete Items 8-10, 12, 13, 15 and 16; if approved on a credit hour basis, complete Items 8-11, 13, 15 and 16)

☐ CORRESPONDENCE COURSE (Complete Items 8 and 20)

☐ FLIGHT TRAINING (Complete Items 8 and 19)

8. NAME OF CURRENT COURSE OR OBJECTIVE

9. CREDIT ALLOWED FOR PREVIOUS TRAINING OR EXPERIENCE

ENROLLMENT DATA

10. ENROLLMENT EFFECTIVE DATE (Month, day, year)		11. CREDIT HOUR LOAD (For courses approved on a credit hour basis)				12. CLOCK HOUR LOAD	13. CHARGES FOR PERIOD OF INSTRUCTION		14. TRAINING TIME GRADUATE OR ADV. PRO.
SCHOOLS ON A TERM BASIS: Certify one term at a time. **SCHOOLS ON A YEAR-ROUND BASIS:** Certify the length of the course.		Enter number of credit hours for which credit may be given. (Residence instruction only.)	Enter number of standard class sessions per week (VAR 14200G) if less than Item 11A.	Enter credit equivalent of non-credit deficiency, remedial or refresher courses. (List courses in Item 21 "Remarks.")	Enter credit equivalent of independent study. (Show separate dates in Item 10.)	Enter clock hours of attendance per week for courses approved on a clock hour basis.	Complete in all cases.		Enter full time, 3/4 time, 1/2 time, more than 1/4 but less than 1/2 time, or 1/4 time or less
A. BEGINNING	B. ENDING	A. HOURS	B. HOURS	C. HOURS	D. HOURS	HOURS	A. TUITION	B. FEES	

15. ADDITIONAL INFORMATION FOR NCD COURSES

ALL NCD COURSES

A. CHECK DAYS OF ATTENDANCE

☐ MON ☐ TUES ☐ WED ☐ THUR ☐ FRI ☐ SAT

HIGH SCHOOLS APPROVED ON A UNIT BASIS

B. ENTER NUMBER OF HIGH SCHOOL UNITS FOR WHICH CURRENTLY ENROLLED

16. ADVANCE PAYMENT REQUEST

NOTE: To request ADVANCE PAYMENT, the student must either complete Items 16B and 16C or sign and date a separate request attached to this form. If the student qualifies, the advance payment check will be mailed to the school for delivery to the student.

A. ADVANCE PAYMENT ☐ (Check box if advance payment is requested)

I request advance payment ▶

B. SIGNATURE OF STUDENT

C. DATE

CERTIFICATIONS - *The provisions on the Reverse (Items (1) through (13) under "Certifications") are certified:*

NOTE: Complete Item 17 only if course(s) are contracted out to another school or are given at a branch location other than that shown in Item 18C. Do not complete Item 17 if course(s) are taken at an "additional facility" of a school as defined in VAR 14251(F).

17. NAME AND ADDRESS OF CONTRACT SCHOOL OR BRANCH LOCATION

18A. DATE SIGNED

18B. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

18C. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

CAUTION: Willful false statements concerning matters in any document required by this law may subject the person to fine or imprisonment or both.

SCHOOL COPY 4

VA FORM FEB 1976 **22-1990a**

19. VOCATIONAL FLIGHT TRAINING *(Chapters 32 and 34 only)*

A. CREDIT ALLOWED FOR PREVIOUS TRAINING *(Show rating(s) and/or number of hours of instruction)*					B. DATE TRAINING BEGAN IN CURRENT COURSE
RATING(S)		GROUND SCHOOL	DUAL	SOLO	
C. NUMBER OF HOURS/UNITS OF INSTRUCTION					D. TOTAL CHARGES $
PRE-FLIGHT	POST-FLIGHT	GROUND SCHOOL	DUAL	SOLO	

20. CORRESPONDENCE COURSE *(Chapters 32, 34 and 35 (spouses and surviving spouses))*

IMPORTANT - VA Form 22-1999c, Certificate of Affirmation of Enrollment Agreement, MUST be signed by the student and accompany this certification form before payment may be authorized by the VA for a correspondence course.			A. CREDIT ALLOWED FOR PREVIOUS TRAINING AND EXPERIENCE LESSONS
B. DATE FIRST LESSON SENT TO STUDENT	C. NUMBER OF LESSONS FOR WHICH STUDENT IS ENROLLED	D. CHARGE PER LESSON TO STUDENT $	E. WERE ANY LESSONS SERVICED PRIOR TO DATE ENTERED IN ITEM 18A? ☐ YES ☐ NO *(If "Yes," attach list showing lesson number and date serviced or show in Item 21, "Remarks.")*

21. REMARKS *(Attach separate sheets if necessary and key answers to item numbers.)*

CERTIFICATIONS – *Read Certifications below before completing Items 18A through 18C on front of this form.*

IT IS HEREBY CERTIFIED THAT (1) The facts stated on this form are true and correct;

(2) The course of courses certified are approved by the State approving agency and are generally acceptable to meet requirements for the student's educational, professional or vocational objective;

(3) No course certified is a repetition of any course previously satisfactorily completed except as permitted by VA regulations;

(4) This institution holds no power of attorney agreement authorizing the institution to negotiate VA educational assistance checks;

(5) This institution agrees to report promptly to the VA any enrollment changes which will affect the educational assistance allowance and any change due to unsatisfactory progress and/or conduct; and

(6) That all such changes that have come to our attention have been reported to the VA if this student was previously enrolled at this school;

(7) FOR ENROLLMENTS REQUESTING ADVANCE PAYMENT: It is agreed that the initial check for this enrollment period will be mailed to the school for temporary care and delivery to the student upon registration but not earlier than 30 days before the commencement of training. It is understood that completion of a certificate of delivery card will normally be required upon delivery of the advance payment;

(8) FOR NONCREDIT DEFICIENCY, REMEDIAL OR REFRESHER COURSES: The courses certified are (a) required to receive a secondary school diploma or (b) necessary to the pursuit of a program of education which the student would be eligible but for the lack;

(9) FOR CORRESPONDENCE COURSES: The normal completion time for the correspondence course certified (includes the correspondence portion of a combination course leading to a vocational objective) is not less than 6 months;

(10) FOR FLIGHT TRAINING: Student has private pilot's license and copy of required Medical Certificate is on file in this institution;

(11) FOR ANY COURSE WITH A VOCATIONAL OBJECTIVE: As of the most recent report of employment, at least 50 percent of students who completed the course in the preceding 2-year period, and who were not unavailable for employment, had been employed in the vocational field for which trained;

(12) FOR TELEVISION COURSES: The courses included in this enrollment which are offered by open-circuit television constitute less than 1/2 of the total credit hours certified;

(13) FOR ENROLLMENTS UNDER CHAPTER 34: All of the 85-15 ratio requirements have been satisfied.

Form Approved
OMB No. 76-R0312

VETERANS ADMINISTRATION

REQUEST FOR CHANGE OF PROGRAM OR PLACE OF TRAINING

(Under Chapter 34, Title 38, U.S.C.)

1. VA FILE NO.
C-

IMPORTANT – Before completing this form read the instructions carefully. Answer all questions fully. Type or print answers in ink. If additional space is needed, attach a separate sheet and key answers to item numbers. The law places certain restrictions on changes of program.

2. SOCIAL SECURITY NUMBER

3. FIRST NAME - MIDDLE NAME - LAST NAME OF APPLICANT

4. VA OFFICE WHERE RECORDS ARE LOCATED *(If known)*

5A. MAILING ADDRESS *(No. and street or rural route, city or P.O., State and ZIP Code)*

5B. HOME TELEPHONE NO. *(Include Area Code)*

5C. WORK TELEPHONE NO. *(Include Area Code)*

6. DO YOU EXPECT TO RECEIVE NON-VA EDUCATIONAL BENEFITS FROM THE ARMED FORCES OR THE PUBLIC HEALTH SERVICE DURING THIS NEW PERIOD OF EDUCATION, OR IF YOU ARE AN EMPLOYEE OF THE UNITED STATES GOVERNMENT, DO YOU EXPECT TO RECEIVE NON-VA EDUCATIONAL BENEFITS UNDER THE GOVERNMENT EMPLOYEE TRAINING ACT DURING THIS PERIOD OF EDUCATION?
☐ YES ☐ NO *(If "Yes," give details on separate sheet)*

7. ARE YOU NOW ON ACTIVE DUTY IN THE ARMED SERVICES?
☐ YES *(If "Yes," have items 17A and 17B completed)* ☐ NO *(If "No," attach DD 214, if not previously submitted)*

8A. DATE ACTIVE DUTY BEGAN *(Mo., day, yr.)*

8B. SERVICE NO. *(If different than item 2)*

9. NAME AND ADDRESS OF LAST SCHOOL OR TRAINING ESTABLISHMENT ATTENDED UNDER CHAPTER 34

10. ACTUAL OR EXPECTED TERMINATION DATE OF TRAINING PERIOD IN ITEM 9 *(Mo., day, yr.)*

11. REASON FOR CHANGING COURSE OR PLACE OF TRAINING

PROGRAM OF EDUCATION

12. IF YOU WANT PROFESSIONAL COUNSELING TO HELP YOU PLAN YOUR EDUCATIONAL OR VOCATIONAL PROGRAM WRITE "YES" IN THE BOX PROVIDED AND A COUNSELING APPOINTMENT WILL BE ARRANGED. YOU WILL BE NOTIFIED OF THE TIME AND PLACE. ▶ ☐

13. IF YOU HAVE SELECTED YOUR PROGRAM, WHAT IS THE FINAL EDUCATIONAL, PROFESSIONAL OR VOCATIONAL GOAL YOU PLAN TO REACH THRU THE PROGRAM FOR WHICH YOU ARE APPLYING? *(Highest degree or occupation)*

14. LIST THE COURSES OR DEGREES REQUIRED BY YOU TO ATTAIN OBJECTIVE SHOWN IN ITEM 13 *(List each diploma, degree or vocational course)*

15. EDUCATION OR TRAINING WILL BE BY:
☐ SCHOOL ATTENDANCE ☐ FLIGHT TRAINING ☐ APPRENTICESHIP OR ON-THE-JOB
☐ CORRESPONDENCE ☐ FARM COOPERATIVE ☐ INDEPENDENT STUDY

16. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT WHERE YOU WISH TO TAKE YOUR PROGRAM *(If different from item 9)*

ARMED FORCES EDUCATION SERVICES OFFICER'S CERTIFICATION *(Servicepersons only)*

I certify that this individual has consulted with me regarding his or her educational program.

17A. DATE SIGNED

17B. SIGNATURE AND TITLE OF EDUCATION SERVICES OFFICER *(Or Grade or rank and branch of service)*

INFORMATION REGARDING PRESENT DEPENDENTS *(Veterans only)*

18A. MARITAL STATUS *(Check one)*
☐ NEVER MARRIED ☐ WIDOWED
☐ MARRIED ☐ DIVORCED

18B. DATE AND PLACE OF MARRIAGE

18C. SPOUSE'S FULL NAME *(Include maiden name, if applicable)*

19. WAS YOUR CURRENT MARRIAGE PERFORMED BY:
☐ CLERGYMAN OR OTHER AUTHORIZED PUBLIC OFFICIAL ☐ OTHER *(Explain)*

20. HAVE EITHER YOU OR YOUR SPOUSE HAD ANY PRIOR MARRIAGES? *(If either 20A or 20B is "Yes," indicate on a separate sheet the date and place of each marriage, to whom married, date and place marriage terminated and reason for termination. Also submit a copy of your current marriage certificate.)* ▶
A. VETERAN ☐ YES ☐ NO
B. SPOUSE ☐ YES ☐ NO

DEPENDENT CHILDREN – List each living unmarried child who is: (A) under 18 years of age, or (B) over 18 and under 23 years and attending school, or (C) a child of any age who became permanently incapable of self-support due to physical or mental illness before age 18. If you have more than two children, list additional children on separate sheet. (NOTE: A certified copy of the public or church record of birth or court record of adoption is required if the child is adopted, a stepchild or illegitimate child.)

21A. FULL NAME OF CHILD	21B. DATE OF BIRTH *(Month, day, year)*	21C. PLACE OF BIRTH	21D. NAME AND ADDRESS OF PERSON HAVING CUSTODY OF CHILD

22. ARE EITHER YOUR FATHER OR MOTHER DEPENDENT ON YOU FOR SUPPORT?
☐ YES ☐ NO *(If "Yes," submit VA Form 21-509 and a copy of your birth certificate)*

NOTE: If you claim an adopted child, a dependent parent, or if either you or your spouse has had a prior marriage, it will be necessary to submit documentary evidence to establish your dependent(s). It is not necessary to resubmit such evidence if it was furnished at an earlier time.

I HEREBY CERTIFY THAT all statements herein are true and complete to the best of my knowledge and belief. I authorize release of school and testing records to the VA for use in counseling me and supervising my program of education and training.

23. DATE SIGNED

24. SIGNATURE OF APPLICANT *(Do not print)*
SIGN HERE IN INK ▶

PENALTY – Willfully false statements as to a material fact in a claim for educational benefits is a punishable offense and may result in the forfeiture of these and other benefits and in criminal penalties.

VA FORM 22-1995
APR 1970

SUPERSEDES VA FORM 22-1995, MAR 1970, WHICH WILL NOT BE USED.

EXHIBIT 4

REQUEST FOR CHANGE OF PROGRAM OR PLACE OF TRAINING
INSTRUCTIONS TO APPLICANT

1. **PROTECTION OF PRIVACY** - No benefits may be paid unless a completed application form has been received (38 U.S.C. 1671). The information requested on this form is necessary to determine your eligibility for the benefits for which you are applying. The responses which are submitted may be disclosed outside the VA only as permitted by law.

2. **CHANGE OF PLACE OF TRAINING** - If you are pursuing the same course or program, you may change your place of training without restriction provided your progress and conduct are satisfactory, and the transfer can be made without substantial loss of credit.

3. **CHANGE OF PROGRAM** - A change of program is a change of your educational, professional or vocational objective from the objective you were last pursuing if the experience and/or credits you have accumulated are not transferable to your new program.

a. You may be authorized one change of program upon your request if progress and conduct in your original program were satisfactory.

b. You may apply for a second (or additional) change of program. However, benefit payments cannot be authorized for this change unless your program is found to be suitable to your aptitudes, interests and abilities by a VA counselor. Additional changes of program, beyond the second change, will be considered only if you submit acceptable evidence to establish the additional change is required by circumstances beyond your control.

4. **VA COUNSELING** - Counseling is provided by the VA to assist you in selecting a suitable educational, professional, vocational or employment objective. Counseling is provided without charge, but any necessary travel may be at your own expense. Counseling is not available in foreign countries except the Republic of the Philippines.

a. You may request counseling by completing Item 12 of the application form.

b. Counseling is required if:

(1) You are requesting a second or additional change of program.

(2) You are requesting reentry into training after your progress or conduct in a training program has been determined unsatisfactory.

5. **SCHOOLS AND TRAINING ESTABLISHMENTS YOU MAY ATTEND** - You may attend elementary schools, high schools, vocational or technical schools, business colleges, colleges and universities, correspondence schools and flight schools which have been approved by the State approving agency. Benefits are payable while you are training in an approved apprenticeship, on-the-job training, or cooperative farm training program.

6. **HIGH SCHOOL COURSES** - If you do not have a high school diploma or the equivalent or you need a refresher or remedial course to qualify for admission for a degree or vocational program, you may receive benefits without charge to your entitlement.

7. **HOME STUDY COURSES** - If you are considering enrolling in a home study course or a combination correspondence-residence course, be sure the field is suitable to your abilities and interest before you sign an agreement with the school. Information on home study courses and the percentage of students who begin courses and actually complete them is available at the nearest U.S. Veterans Assistance Center (USVAC) or VA Regional Office. VA counseling is available to you upon request. You may wish to further consider your decision or get help from a VA counselor before signing an agreement which may require you to pay for all or the majority of the course even though you complete only a portion of it.

NOTE: The law provides that an agreement for enrollment in a home study course must be affirmed in writing by the student more than 10 days following the date the contract was signed; for example, if the contract is dated on the 1st of the month, the affirmation must be dated on or after the 12th. No payments of educational assistance allowance will be authorized by the VA for any lessons serviced by the school prior to the date of affirmation of the agreement. If you decide not to enroll in a correspondence course after signing an agreement but before signing the affirmation, you are entitled to receive a full refund from the school of any payment made for the course.

8. **RESTRICTIONS** - Benefits may be authorized only for an approved program leading to an educational, professional or vocational objective for which you are not already qualified. The law prohibits the approval of courses for recreational or avocational purposes, bartending or personality development courses, and audit courses.

NOTE: If you are a veteran, however, you may take up to 6 months of refresher training to allow you to keep abreast of technological advances that have occurred in your field of employment during and since the period of your active military service.

9. **HOW TO APPLY** - Select the program in which you wish to enroll. Be sure the course at the school or training establishment is approved for the enrollment of veterans and eligible persons. If you need any assistance or further information, contact the nearest VA Regional Office.

a. Complete the application and send it directly to the VA Regional Office where your records are located at the earliest possible date before enrolling if you want vocational or educational counseling before you select a program of education or training, or if you are required to receive counseling (see paragraph 4).

b. If you have already reenrolled, and if none of the conditions listed in paragraph 9a applies to you, complete this application and give it to the school or training establishment to process to the VA along with an Enrollment Certification, VA Form 22-1999.

c. You will be notified of the date, time and place to report for counseling if it is requested or required.

10. **ADVANCE PAYMENT** - You may be eligible for an advance payment for the initial month or partial month of your training plus payment for the following month. Advance payment checks are mailed to your school for delivery to you at the time of registration. You are eligible for an advance payment if: (1) You enroll in an approved school course on at least 1/2 time basis; (2) Your school agrees to process an advance payment; (3) You request an advance payment in writing; (4) Your application and request for an advance payment are received in the VA at least 30 days in advance of registration; (5) and your enrollment begins at least one calendar month after the end of your prior term. Your request for an advance payment must be entered on the Enrollment Certification, or on a separate piece of paper attached to the Enrollment Certification, which your school will submit to the VA.

11. **CHANGE OF ADDRESS** - Keep the Veterans Administration informed of your latest address. Whenever you move, notify the VA immediately. Be sure to show your complete mailing address, including ZIP code.

12. **INFORMATION AND ASSISTANCE** - Additional VA educational benefits for which you may apply are tutorial assistance, education loan, or a work-study position. Information and assistance may be obtained from any VA office or United States Veterans Assistance Center (USVAC). Local representatives of the various veterans' organizations and American Red Cross also have information and forms available.

NOTE - REVERSE CARBON PAPER BEFORE COMPLETING OTHER SIDE

Form Approved
OMB No. 76-R0327

VETERANS ADMINISTRATION

ENROLLMENT CERTIFICATION

(Under Chapter 32, 34 or 35, 38 U.S.C.)

IMPORTANT: No further benefits may be paid under this program unless this form is completed and filed as required by existing law (38 U.S.C. 1784).

IDENTIFYING DATA

1. NAME OF STUDENT OR TRAINEE *(First, middle, last)*

2. VA OFFICE HAVING RECORDS *(If known)*

3. VA FILE NO. *(For Ch. 35, include suffix)*

4A. CURRENT MAILING ADDRESS OF STUDENT OR TRAINEE *(Number and street or rural route, city or P.O., State and ZIP Code) (If on active duty, give complete mailing address)*

4B. CHANGE OF ADDRESS *(If item 4A is a change of address, check box.)* ☐

5. SOCIAL SEC. NO. *(If not shown in item 3)*

6. DATE OF BIRTH *(If known)*

GENERAL INFORMATION

IMPORTANT: In Item 7 below, check the type of course being certified and complete other indicated items if they apply. Always complete Items 18A thru 18C after reading the Certifications on reverse.

7. TYPE OF COURSE

☐ UNDERGRADUATE STANDARD COLLEGE DEGREE *(Complete Items 8-11, 13 and 16)*

☐ COOPERATIVE COURSE *(Not Farm)* *(Complete Items 8-12, 15 and 16)*

☐ CORRESPONDENCE COURSE *(Complete Items 8 and 20)*

☐ GRADUATE OR ADVANCED PROFESSIONAL DEGREE *(Complete Items 8-14 and 16) (For residencies and internships, enter clock hours in Item 12)*

☐ FARM COOPERATIVE *(Complete Items 8-10, 12 and 15)*

☐ FLIGHT TRAINING *(Complete Items 8 and 19)*

☐ COURSE NOT LEADING TO A STANDARD COLLEGE DEGREE *(NCD) (If approved on a clock hour basis, complete Items 8-10, 12, 13, 15 and 16. If approved on a credit hour basis, complete Items 8-11, 13, 15 and 16)*

☐ APPRENTICE/ON-THE-JOB TRAINING *(Complete Item 8 and 21)*

8. NAME OF CURRENT COURSE OR OBJECTIVE

9. CREDIT ALLOWED FOR PREVIOUS TRAINING OR EXPERIENCE

ENROLLMENT DATA

10. ENROLLMENT EFFECTIVE DATE *(Month, day, year)*		11. CREDIT HOUR LOAD *(For courses approved on a credit hour basis)*				12. CLOCK HOUR LOAD	13. CHARGES FOR PERIOD OF INSTRUCTION		14. TRAINING TIME GRADUATE OR ADVANCED PROFESSIONAL
SCHOOLS ON A TERM BASIS: *Enter period to be certified.* SCHOOLS ON A YEAR-ROUND BASIS: *Certify the length of the course.* CO-OP (NOT FARM): *Enter dates of attendance for each phase of instruction. (Identify phase as "classroom" or "On-job.")* FOR IN-SERVICE OR LESS THAN 1/2 TIME STUDENTS: *Certify one term at a time.*		*Enter number of credit hours for which credit may be given (Residence instruction only.)*	*Enter number of standard class sessions per week (VAR 14200G) if less than Item 11A.*	*Enter credit equivalent of non-credit deficiency, remedial or refresher courses. (List courses in Item 22 "Remarks.")*	*Enter credit equivalent of independent study (Show separate dates in Item 10.)*	*Enter clock hours of attendance per week for courses approved on a clock hour basis. For Co-op (not farm), enter clock hours per week of "On-job" attendance for each phase.*	*Complete only if:* *1 - Student enrolled for less than 1/2 time.* *2 - Student in-service.* *3 - Student pursuing independent study.*		*Enter full time, 3/4 time, 1/2 time, more than 1/4 but less than 1/2 time, or 1/4 time or less.*
A. BEGINNING	B. ENDING	A. HOURS	B. HOURS	C. HOURS	D. HOURS	HOURS	A. TUITION	B. FEES	

15. ADDITIONAL INFORMATION FOR NCD AND FARM CO-OP

ALL NCD AND FARM CO-OP COURSES

A. CHECK DAYS OF ATTENDANCE

☐ M ☐ TU ☐ W
☐ TH ☐ F ☐ SAT

HIGH SCHOOLS APPROVED ON A UNIT BASIS

B. ENTER NUMBER OF HIGH SCHOOL UNITS FOR WHICH CURRENTLY ENROLLED

FARM CO-OP ONLY

C. IS STUDENT PURSUING THIS COURSE CONCURRENTLY WITH AGRICULTURAL EMPLOYMENT?

☐ YES ☐ NO

D. DOES STUDENT'S PERIOD OF ENROLLMENT INCLUDE PRE-SCHEDULED CLASSROOM INSTRUCTION?

☐ YES ☐ NO *(If "Yes," attach schedule of attendance for each prescheduled enrollment period or show in Item 22, "Remarks.")*

16. ADVANCE PAYMENT REQUEST

NOTE: To request ADVANCE PAYMENT, the student must either complete Items 16B and 16C or sign and date a separate request attached to this form. If the student qualifies, the advance payment check will be mailed to the school for delivery to the student.

A. ADVANCE PAYMENT

☐ *(Check box if advance payment is requested)*

I request advance payment ▶

B. SIGNATURE OF STUDENT

C. DATE

CERTIFICATIONS - *The provisions on the Reverse (Items (1) through (13) under "Certifications") are certified.*

NOTE: Complete Item 17 only if course(s) are contracted out to another school or are given at a branch location other than that shown in Item 18C. Do not complete Item 17 if course(s) are taken at an "additional facility" of a school as defined in VAR 14251 (F).

17. NAME AND ADDRESS OF CONTRACT SCHOOL OR BRANCH LOCATION

18A. DATE SIGNED

18B. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

18C. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

CAUTION: Willful false statements concerning matters in any document required by this law may subject the person to fine or imprisonment or both.

VA FORM
FEB 1976 **22-1999**

SUPERSEDES VA FORM 22-1999, NOV 1975, WHICH WILL NOT BE USED.

EXHIBIT 5

VA COPY

NOTE - REVERSE CARBON PAPER BEFORE COMPLETING THIS SIDE

19. VOCATIONAL FLIGHT TRAINING *(Chapters 32 and 34 only)*

A. CREDIT ALLOWED FOR PREVIOUS TRAINING *(Show rating(s) and/or number of hours of instruction)*				B. DATE TRAINING BEGAN IN CURRENT COURSE
RATING(S)	GROUND SCHOOL	DUAL	SOLO	

C. NUMBER OF HOURS/UNITS OF INSTRUCTION					D. TOTAL CHARGES
PRE-FLIGHT	POST-FLIGHT	GROUND SCHOOL	DUAL	SOLO	$

20. CORRESPONDENCE COURSE *(Chapters 32, 34 and 35 (spouses and surviving spouses))*

IMPORTANT - VA Form 22-1999c, Certificate of Affirmation of Enrollment Agreement, MUST be signed by this student and accompany this certification form before payment may be authorized by the VA for a correspondence course.

A. CREDIT ALLOWED FOR PREVIOUS TRAINING AND EXPERIENCE LESSONS

B. DATE FIRST LESSON SENT TO STUDENT	C. NUMBER OF LESSONS FOR WHICH STUDENT IS ENROLLED	D. CHARGE PER LESSON TO STUDENT $	E. WERE ANY LESSONS SERVICED PRIOR TO DATE ENTERED IN ITEM 18A? ☐ YES ☐ NO *(If "Yes," attach list showing lesson number and date serviced or show in Item 22, "Remarks.")*

21. APPRENTICE/ON-THE-JOB TRAINING *(Attach list showing monthly number of hours worked to date or show in Item 22, "Remarks.")*

IMPORTANT - A signed copy of the training agreement outlining the training program and wage scale as approved by the State Approving Agency, or for apprentices, any document signed by the trainee incorporating this agreement by reference, must be attached to this form.

A. CREDIT ALLOWED FOR PREVIOUS TRAINING AND EXPERIENCE MONTHS

TRAINING DATES *(Month, day, year)*		D. TYPE OF TRAINING	E. NO. OF HOURS TRAINEE IS EMPLOYED PER WEEK IN THIS COURSE	F. NO. OF HOURS IN STANDARD WORK WEEK
B. BEGINNING	C. ENDING	☐ APPRENTICESHIP ☐ OTHER ON-THE-JOB	HRS.	HRS.

22. REMARKS *(Attach separate sheets if necessary and key answers to item numbers.)*

CERTIFICATIONS - *Read Certifications below before completing Items 18A through 18C on front of this form.*

IT IS HEREBY CERTIFIED THAT: (1) The facts stated on this form are true and correct;

(2) The course or courses certified are approved by the State Approving Agency and are generally acceptable to meet requirements for the student's educational, professional or vocational objective;

(3) No course certified is a repetition of any course previously satisfactorily completed except as permitted by VA regulations;

(4) This institution holds no power of attorney agreement authorizing the institution to negotiate VA educational assistance checks;

(5) This institution agrees to report promptly to the VA any enrollment changes which will affect the educational assistance allowance and any change due to unsatisfactory progress and/or conduct; and

(6) That all such changes that have come to our attention have been reported to the VA if this student was previously enrolled at this school;

(7) FOR ENROLLMENTS REQUESTING ADVANCE PAYMENT: It is agreed that the initial check for this enrollment period will be mailed to the school for temporary care and delivery to the student upon registration but not earlier than 30 days before the commencement of training. It is understood that completion of a certificate of delivery card will normally be required upon delivery of the advance payment;

(8) FOR NONCREDIT DEFICIENCY, REMEDIAL OR REFRESHER COURSES: The courses certified are (a) required to receive a secondary school diploma or (b) necessary for the pursuit of a program of education for which the student would otherwise be eligible.

(9) FOR CORRESPONDENCE COURSES: The normal completion time for the correspondence course certified (includes the correspondence portion of a combination course leading to a vocational objective) is not less than 6 months;

(10) FOR FLIGHT TRAINING: Student has private pilot's license and copy of required Medical Certificate is on file in this institution;

(11) FOR ANY COURSE WITH A VOCATIONAL OBJECTIVE: As of the most recent report of employment, at least 50 percent of students who completed the course in the preceding 2-year period, and who were not unavailable for employment, had been employed in the vocational field for which trained;

(12) FOR TELEVISION COURSES: The courses included in this enrollment which are offered by open-circuit television constitute less than ½ of the total credit hours certified;

(13) FOR ENROLLMENTS UNDER CHAPTER 34: All of the 85-15 ratio requirements have been satisfied.

NOTE - REVERSE CARBON PAPER BEFORE COMPLETING OTHER SIDE

Form Approved
OMB No. 76-R0327

VETERANS ADMINISTRATION

ENROLLMENT CERTIFICATION

(Under Chapter 32, 34 or 35, 38 U.S.C.)

IMPORTANT: No further benefits may be paid under this program unless this form is completed and filed as required by existing law (38 U.S.C. 1784).

IDENTIFYING DATA

1. NAME OF STUDENT OR TRAINEE *(First, middle, last)*

2. VA OFFICE HAVING RECORDS *(If known)*

3. VA FILE NO. *(For Ch. 35, include suffix)*

4A. CURRENT MAILING ADDRESS OF STUDENT OR TRAINEE *(Number and street or rural route, city or P.O., State and ZIP Code) (If on active duty, give complete mailing address)*

4B. CHANGE OF ADDRESS *(If item 4A is a change of address, check box.)* ☐

5. SOCIAL SEC. NO. *(If not shown in item 3)*

6. DATE OF BIRTH *(If known)*

GENERAL INFORMATION

IMPORTANT: In item 7 below, check the type of course being certified and complete other indicated items if they apply. Always complete items 18A thru 18C after reading the Certifications on reverse.

7. TYPE OF COURSE

☐ UNDERGRADUATE STANDARD COLLEGE DEGREE *(Complete items 8-11, 13 and 16)*

☐ COOPERATIVE COURSE *(Not Farm)* *(Complete items 8-13, 15 and 16)*

☐ CORRESPONDENCE COURSE *(Complete items 8 and 20)*

☐ GRADUATE OR ADVANCED PROFESSIONAL DEGREE *(Complete items 8-14 and 16) (For residencies and internships, enter clock hours in item 12)*

☐ FARM COOPERATIVE *(Complete items 8-10, 12 and 15)*

☐ FLIGHT TRAINING *(Complete items 8 and 19)*

☐ COURSE NOT LEADING TO A STANDARD COLLEGE DEGREE *(NCD) (If approved on a clock hour basis, complete items 8-10, 12, 13, 15 and 16. If approved on a credit hour basis, complete items 8-11, 13, 15 and 16)*

☐ APPRENTICE/ON-THE-JOB TRAINING *(Complete item 8 and 21)*

8. NAME OF CURRENT COURSE OR OBJECTIVE

9. CREDIT ALLOWED FOR PREVIOUS TRAINING OR EXPERIENCE

ENROLLMENT DATA

10. ENROLLMENT EFFECTIVE DATE *(Month, day, year)*		11. CREDIT HOUR LOAD *(For courses approved on a credit hour basis)*				12. CLOCK HOUR LOAD	13. CHARGES FOR PERIOD OF INSTRUCTION		14. TRAINING TIME GRADUATE OR ADVANCED PROFESSIONAL
SCHOOLS ON A TERM BASIS: Enter period to be certified. SCHOOLS ON A YEAR-ROUND BASIS: Certify the length of the course. CO-OP (NOT FARM): Enter dates of attendance for each phase of instruction. (Identify phase as "classroom" or "On-job.") FOR IN-SERVICE OR LESS THAN 1/2 TIME STUDENTS: Certify one term at a time.		Enter number of credit hours for which credit may be given (Residence instruction only.)	Enter number of standard class sessions per week (VAR 14200G) if less than item 11A.	Enter credit equivalent of non-credit deficiency, remedial or refresher courses. (List courses in item 22 "Remarks.")	Enter credit equivalent of independent study. (Show separate dates in item 10.)	Enter clock hours of attendance per week for courses approved on a clock hour basis. For Co-op (not farm), enter clock hours per week of "On-job" attendance for each phase.	Complete only if: 1 - Student enrolled for less than 1/2 time. 2 - Student in-service. 3 - Student pursuing independent study.		Enter full time, 3/4 time, 1/2 time, more than 1/4 but less than 1/2 time, or 1/4 time or less.
A. BEGINNING	B. ENDING	A. HOURS	B. HOURS	C. HOURS	D. HOURS	HOURS	A. TUITION	B. FEES	

15. ADDITIONAL INFORMATION FOR NCD AND FARM CO-OP

ALL NCD AND FARM CO-OP COURSES

A. CHECK DAYS OF ATTENDANCE

☐ M ☐ TU ☐ W
☐ TH ☐ F ☐ SAT

HIGH SCHOOLS APPROVED ON A UNIT BASIS

B. ENTER NUMBER OF HIGH SCHOOL UNITS FOR WHICH CURRENTLY ENROLLED

FARM CO-OP ONLY

C. IS STUDENT PURSUING THIS COURSE CONCURRENTLY WITH AGRICULTURAL EMPLOYMENT? ☐ YES ☐ NO

D. DOES STUDENT'S PERIOD OF ENROLLMENT INCLUDE PRESCHEDULED CLASSROOM INSTRUCTION? ☐ YES ☐ NO *(If "Yes," attach schedule of attendance for each prescheduled enrollment period or show in item 22, "Remarks.")*

16. ADVANCE PAYMENT REQUEST

NOTE: To request ADVANCE PAYMENT, the student must either complete items 16B and 16C or sign and date a separate request attached to this form. If the student qualifies, the advance payment check will be mailed to the school for delivery to the student.

A. ADVANCE PAYMENT ☐ *(Check box if advance payment is requested)*

I request advance payment ▶

B. SIGNATURE OF STUDENT

C. DATE

CERTIFICATIONS - *The provisions on the Reverse (items (1) through (13) under "Certifications") are certified.*

NOTE: Complete item 17 only if course(s) are contracted out to another school or are given at a branch location other than that shown in item 18C. Do not complete item 17 if course(s) are taken at an "additional facility" of a school as defined in VAR 14251 (F).

17. NAME AND ADDRESS OF CONTRACT SCHOOL OR BRANCH LOCATION

18A. DATE SIGNED

18B. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

18C. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

CAUTION: Willful false statements concerning matters in any document required by this law may subject the person to fine or imprisonment or both.

VA FORM
FEB 1979 **22-1999**

SUPERSEDES VA FORM 22-1999, NOV 1978,
WHICH WILL NOT BE USED.

SCHOOL COPY

NOTE - REVERSE CARBON PAPER BEFORE COMPLETING THIS SIDE

19. VOCATIONAL FLIGHT TRAINING *(Chapters 32 and 34 only)*

A. CREDIT ALLOWED FOR PREVIOUS TRAINING *(Show rating(s) and/or number of hours of instruction)*					B. DATE TRAINING BEGAN IN CURRENT COURSE
RATING(S)		GROUND SCHOOL	DUAL	SOLO	
C. NUMBER OF HOURS/UNITS OF INSTRUCTION					D. TOTAL CHARGES $
PRE-FLIGHT	POST-FLIGHT	GROUND SCHOOL	DUAL	SOLO	

20. CORRESPONDENCE COURSE *(Chapters 32, 34 and 35 (spouses and surviving spouses))*

IMPORTANT - VA Form 22-1999c, Certificate of Affirmation of Enrollment Agreement, MUST be signed by this student and accompany this certification form before payment may be authorized by the VA for a correspondence course.			A. CREDIT ALLOWED FOR PREVIOUS TRAINING AND EXPERIENCE LESSONS
B. DATE FIRST LESSON SENT TO STUDENT	C. NUMBER OF LESSONS FOR WHICH STUDENT IS ENROLLED	D. CHARGE PER LESSON TO STUDENT $	E. WERE ANY LESSONS SERVICED PRIOR TO DATE ENTERED IN ITEM 18A? ☐ YES ☐ NO *(If "Yes," attach list showing lesson number and date serviced or show in Item 22, "Remarks.")*

21. APPRENTICE/ON-THE-JOB TRAINING *(Attach list showing monthly number of hours worked to date or show in Item 22, "Remarks.")*

IMPORTANT - A signed copy of the training agreement outlining the training program and wage scale as approved by the State Approving Agency, or for apprentices, any document signed by the trainee incorporating this agreement by reference, must be attached to this form.			A. CREDIT ALLOWED FOR PREVIOUS TRAINING AND EXPERIENCE MONTHS	
TRAINING DATES *(Month/day/year)*		D. TYPE OF TRAINING	E. NO. OF HOURS TRAINEE IS EMPLOYED PER WEEK IN THIS COURSE	F. NO. OF HOURS IN STANDARD WORK WEEK
B. BEGINNING	C. ENDING	☐ APPRENTICESHIP ☐ OTHER ON-THE-JOB	HRS.	HRS.

22. REMARKS *(Attach separate sheets if necessary and key answers to Item numbers.)*

CERTIFICATIONS - *Read Certifications below before completing Items 18A through 18C on front of this form.*

IT IS HEREBY CERTIFIED THAT: (1) The facts stated on this form are true and correct;

(2) The course or courses certified are approved by the State Approving Agency and are generally acceptable to meet requirements for the student's educational, professional or vocational objective;

(3) No course certified is a repetition of any course previously satisfactorily completed except as permitted by VA regulations;

(4) This institution holds no power of attorney agreement authorizing the institution to negotiate VA educational assistance checks;

(5) This institution agrees to report promptly to the VA any enrollment changes which will affect the educational assistance allowance and any change due to unsatisfactory progress and/or conduct; and

(6) That all such changes that have come to our attention have been reported to the VA if this student was previously enrolled at this school;

(7) **FOR ENROLLMENTS REQUESTING ADVANCE PAYMENT:** It is agreed that the initial check for this enrollment period will be mailed to the school for temporary care and delivery to the student upon registration but not earlier than 30 days before the commencement of training. It is understood that completion of a certificate of delivery card will normally be required upon delivery of the advance payment;

(8) **FOR NONCREDIT DEFICIENCY, REMEDIAL OR REFRESHER COURSES:** The courses certified are (a) required to receive a secondary school diploma or (b) necessary for the pursuit of a program of education for which the student would otherwise be eligible.

(9) **FOR CORRESPONDENCE COURSES:** The normal completion time for the correspondence course certified (includes the correspondence portion of a combination course leading to a vocational objective) is not less than 6 months;

(10) **FOR FLIGHT TRAINING:** Student has private pilot's license and copy of required Medical Certificate is on file in this institution;

(11) **FOR ANY COURSE WITH A VOCATIONAL OBJECTIVE:** As of the most recent report of employment, at least 50 percent of students who completed the course in the preceding 2-year period, and who were not unavailable for employment, had been employed in the vocational field for which trained;

(12) **FOR TELEVISION COURSES:** The courses included in this enrollment which are offered by open-circuit television constitute less than ½ of the total credit hours certified;

(13) **FOR ENROLLMENTS UNDER CHAPTER 34:** All of the 85-15 ratio requirements have been satisfied.

VETERANS ADMINISTRATION
110 NINTH AVE SO
NASHVILLE TN 37203

OCTOBER 11, 19

IN REPLY REFER TO 21/24

FILE NUMBER
C-

YOU HAVE BEEN AWARDED EDUCATIONAL ALLOWANCE AS FOLLOWS

MONTHLY RATE	EFFECTIVE DATE	ENDING DATE
$370.00	9-19-78	6-08-79

YOUR ORIGINAL NET ENTITLEMENT IS 45 MONTHS.

AT THE END OF THE LAST PERIOD SHOWN ABOVE, YOU WILL HAVE USED 8 1/2 MONTHS OF ENTITLEMENT.

THE FIRST CHECK PROVIDES FOR PAYMENT THROUGH 9-30-78. IF YOU DISCONTINUE YOUR COURSE BEFORE THAT DATE, YOU ARE NOT ENTITLED TO FULL PAYMENT AND AN ADJUSTMENT WILL BE MADE.

IF YOU REGISTER AND CONTINUE IN SCHOOL, MONTHLY PAYMENTS WILL BE MAILED TO YOU AT THE BEGINNING OF EACH MONTH FOR THE PRECEEDING MONTH'S TRAINING. IF ACTUAL ATTENDANCE IS DISCONTINUED PRIOR TO THE END OF A MONTH, YOU ARE NOT ENTITLED TO PAYMENT FOR A FULL MONTH. PERIODICALLY, WE WILL VERIFY YOUR CONTINUED ENROLLMENT WITH THE SCHOOL.

IT IS MOST IMPORTANT THAT YOU INFORM THE VA OF ANY CHANGE IN ADDRESS, ENROLLMENT, OR NUMBER OF YOUR DEPENDENTS.

YOUR AWARD INCLUDES ADDITIONAL ALLOWANCE FOR YOUR SPOUSE.

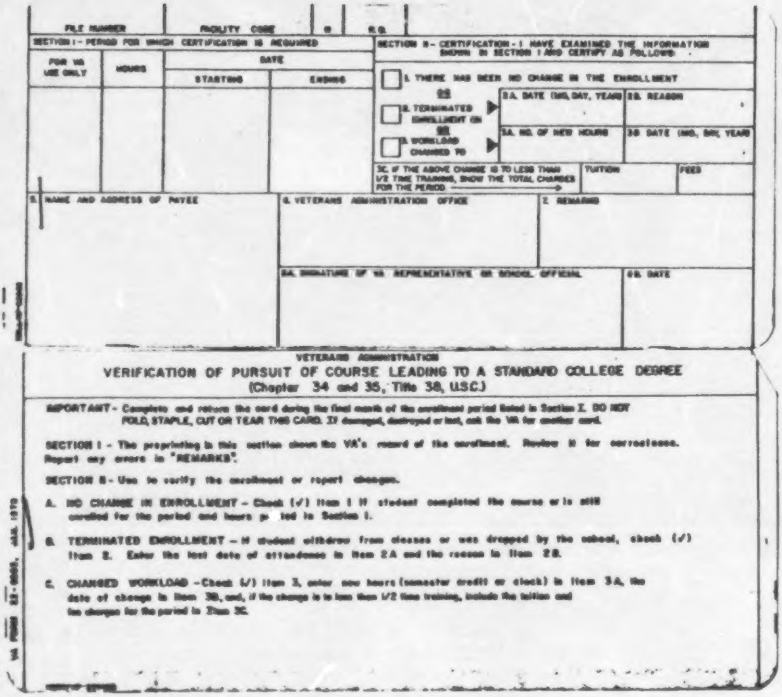
THANK YOU.
VETERANS ADMINISTRATION

IMPORTANT — SEE REVERSE FOR PROCEDURAL AND APPELLATE RIGHTS

KEEP THIS LETTER FOR FUTURE REFERENCE

VA FORM 21 — 8332a-2

EXHIBIT 6



FILE NUMBER	FACILITY CODE	ID	R.O.

SECTION I - PERIOD FOR WHICH CERTIFICATION IS REQUIRED			
FOR VA USE ONLY	HOURS	DATE	
		STARTING	ENDING

SECTION II - CERTIFICATION - I HAVE EXAMINED THE INFORMATION SHOWN IN SECTION I AND CERTIFY AS FOLLOWS:

☐ 1. THERE HAS BEEN NO CHANGE IN THE ENROLLMENT

OR

☐ 2. TERMINATED ENROLLMENT ON ▶ 2A. DATE (MO, DAY, YEAR) | 2B. REASON

OR

☐ 3. WORKLOAD CHANGED TO ▶ 3A. NO. OF NEW HOURS | 3B. DATE (MO, DAY, YEAR)

3C. IF THE ABOVE CHANGE IS TO LESS THAN 1/2 TIME TRAINING, SHOW THE TOTAL CHARGES FOR THE PERIOD → TUITION | FEES

5. NAME AND ADDRESS OF PAYEE	6. VETERANS ADMINISTRATION OFFICE	7. REMARKS
	8A. SIGNATURE OF VA REPRESENTATIVE OR SCHOOL OFFICIAL	8B. DATE

VETERANS ADMINISTRATION

VERIFICATION OF PURSUIT OF COURSE LEADING TO A STANDARD COLLEGE DEGREE
(Chapter 34 and 35, Title 38, U.S.C.)

IMPORTANT - Complete and return the card during the final month of the enrollment period listed in Section I. DO NOT FOLD, STAPLE, CUT OR TEAR THIS CARD. If damaged, destroyed or lost, ask the VA for another card.

SECTION I - The preprinting in this section shows the VA's record of the enrollment. Review it for correctness. Report any errors in "REMARKS".

SECTION II - Use to verify the enrollment or report changes.

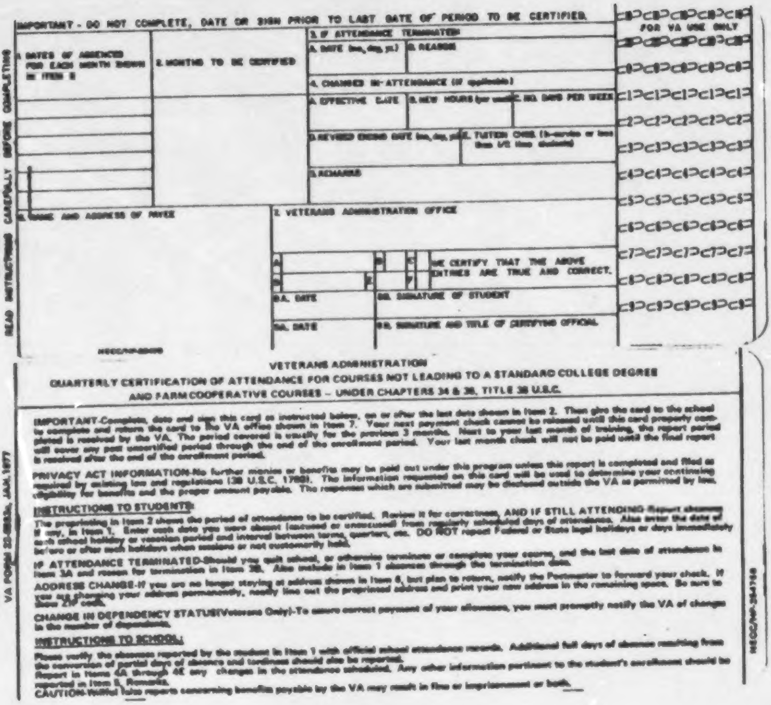
A. NO CHANGE IN ENROLLMENT - Check (✓) Item 1 if student completed the course or is still enrolled for the period and hours printed in Section I.

B. TERMINATED ENROLLMENT - If student withdrew from classes or was dropped by the school, check (✓) Item 2. Enter the last date of attendance in Item 2A and the reason in Item 2B.

C. CHANGED WORKLOAD - Check (✓) Item 3, enter new hours (semester credit or clock) in Item 3A, the date of change in Item 3B, and, if the change is to less than 1/2 time training, include the tuition and fee charges for the period in Item 3C.

VA FORM 22-6553, JAN. 1970

EXHIBIT 7



IMPORTANT - DO NOT COMPLETE, DATE OR SIGN PRIOR TO LAST DATE OF PERIOD TO BE CERTIFIED.

FOR VA USE ONLY

1. DATES OF ABSENCES FOR EACH MONTH SHOWN IN ITEM 2

2. MONTHS TO BE CERTIFIED

3. IF ATTENDANCE TERMINATED

A. DATE (mo., day, yr.)

B. REASON

4. CHANGES IN ATTENDANCE (if applicable)

A. EFFECTIVE DATE

B. NEW HOURS (per week)

C. NO. DAYS PER WEEK

D. REVISED ENDING DATE (mo., day, yr.)

E. TUITION CHGS. (In-service or less than 1/2 time students)

5. REMARKS

6. NAME AND ADDRESS OF PAYEE

7. VETERANS ADMINISTRATION OFFICE

WE CERTIFY THAT THE ABOVE ENTRIES ARE TRUE AND CORRECT.

8A. DATE

8B. SIGNATURE OF STUDENT

9A. DATE

9B. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

READ INSTRUCTIONS CAREFULLY BEFORE COMPLETING

VETERANS ADMINISTRATION

QUARTERLY CERTIFICATION OF ATTENDANCE FOR COURSES NOT LEADING TO A STANDARD COLLEGE DEGREE AND FARM COOPERATIVE COURSES – UNDER CHAPTERS 34 & 35, TITLE 38 U.S.C.

IMPORTANT-Complete, date and sign this card as instructed below, on or after the last date shown in Item 2. Then give the card to the school to complete and return the card to the VA office shown in Item 7. Your next payment check cannot be released until this card properly completed is received by the VA. The period covered is usually for the previous 3 months. Next to your last month of training, the report period will cover any past uncertified period through the end of the enrollment period. Your last month check will not be paid until the final report is received after the end of the enrollment period.

PRIVACY ACT INFORMATION-No further monies or benefits may be paid out under this program unless this report is completed and filed as required by existing law and regulations (38 U.S.C. 1780). The information requested on this card will be used to determine your continuing eligibility for benefits and the proper amount payable. The responses which are submitted may be disclosed outside the VA as permitted by law.

INSTRUCTIONS TO STUDENTS:

The preprinting in Item 2 shows the period of attendance to be certified. Review it for correctness, AND IF STILL ATTENDING-Report absences, if any, in Item 1. Enter each date you were absent (excused or unexcused) from regularly scheduled days of attendance. Also enter the date of each school holiday or vacation period and interval between terms, quarters, etc. DO NOT report Federal or State legal holidays or days immediately before or after such holidays when sessions are not customarily held.

IF ATTENDANCE TERMINATED-Should you quit school, or otherwise terminate or complete your course, enter the last date of attendance in Item 3A and reason for termination in Item 3B. Also include in Item 1 absences through the termination date.

ADDRESS CHANGE-If you are no longer staying at address shown in Item 6, but plan to return, notify the Postmaster to forward your check. If you are changing your address permanently, neatly line out the preprinted address and print your new address in the remaining space. Be sure to show ZIP code.

CHANGE IN DEPENDENCY STATUS(Veterans Only)-To assure correct payment of your allowance, you must promptly notify the VA of changes in the number of dependents.

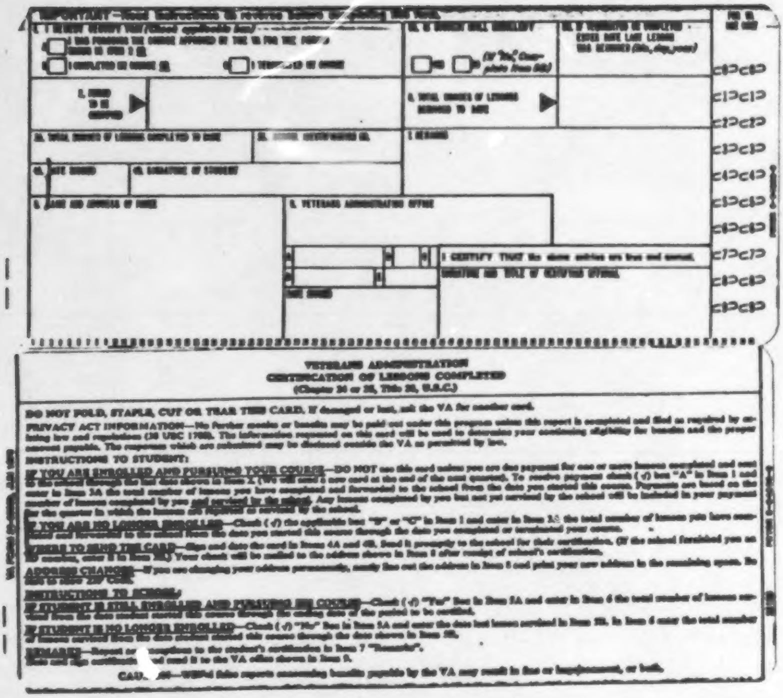
INSTRUCTIONS TO SCHOOL:

Please verify the absences reported by the student in Item 1 with official school attendance records. Additional full days of absence resulting from the conversion of partial days of absence and tardiness should also be reported. Report in Items 4A through 4E any changes in the attendance scheduled. Any other information pertinent to the student's enrollment should be reported in Item 5, Remarks.

CAUTION-Willful false reports concerning benefits payable by the VA may result in fine or imprisonment or both.

VA FORM 22-6553a, JAN 1977

EXHIBIT 8



IMPORTANT—Read instructions on reverse before completing this card.

1. I HEREBY CERTIFY THAT (Check applicable box)

A ☐ I WAS PURSUING THE COURSE APPROVED BY THE VA FOR THE PERIOD SHOWN IN ITEM 2

B ☐ I COMPLETED MY COURSE ON

C ☐ I TERMINATED MY COURSE

5A. IS STUDENT STILL ENROLLED?

☐ NO ☐ YES (If "No," Complete Item 5B)

5B. IF TERMINATED OR COMPLETED, ENTER DATE LAST LESSON WAS SERVICED (Mo., day, year)

2. PERIOD TO BE CERTIFIED

6. TOTAL NUMBER OF LESSONS SERVICED TO DATE

3A. TOTAL NUMBER OF LESSONS COMPLETED TO DATE

3B. SCHOOL IDENTIFICATION NO.

7. REMARKS

4A. DATE SIGNED

4B. SIGNATURE OF STUDENT

8. NAME AND ADDRESS OF PAYEE

9. VETERANS ADMINISTRATION OFFICE

I CERTIFY THAT the above entries are true and correct.

SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

DATE SIGNED

VETERANS ADMINISTRATION
CERTIFICATION OF LESSONS COMPLETED
(Chapter 34 or 35, Title 38, U.S.C.)

DO NOT FOLD, STAPLE, CUT OR TEAR THIS CARD. If damaged or lost, ask the VA for another card.

PRIVACY ACT INFORMATION—No further monies or benefits may be paid out under this program unless this report is completed and filed as required by existing law and regulations (38 USC 1784). The information requested on this card will be used to determine your continuing eligibility for benefits and the proper amount payable. The responses which are submitted may be disclosed outside the VA as permitted by law.

INSTRUCTIONS TO STUDENT:

IF YOU ARE ENROLLED AND PURSUING YOUR COURSE—DO NOT use this card unless you are due payment for one or more lessons completed and sent to the school through the last date shown in Item 2. (We will send a new card at the end of the next quarter). To receive payment check (√) box "A" in Item 1 and enter in Item 3A the total number of lessons you have completed and forwarded to the school from the date you started this course. Payments are based on the number of lessons completed by you and serviced by the school. Any lessons completed by you but not yet serviced by the school will be included in your payment for the quarter in which the lessons are reported as serviced by the school.

IF YOU ARE NO LONGER ENROLLED—Check (√) the applicable box "B" or "C" in Item 1 and enter in Item 3A the total number of lessons you have completed and forwarded to the school from the date you started this course through the date you completed or terminated your course.

WHERE TO SEND THE CARD—Sign and date the card in Items 4A and 4B. Send it promptly to the school for their certification. (If the school furnished you an ID number, enter it in Item 3B.) Your check will be mailed to the address shown in Item 8 after receipt of school's certification.

ADDRESS CHANGE—If you are changing your address permanently, neatly line out the address in Item 8 and print your new address in the remaining space. Be sure to show ZIP Code.

INSTRUCTIONS TO SCHOOL:

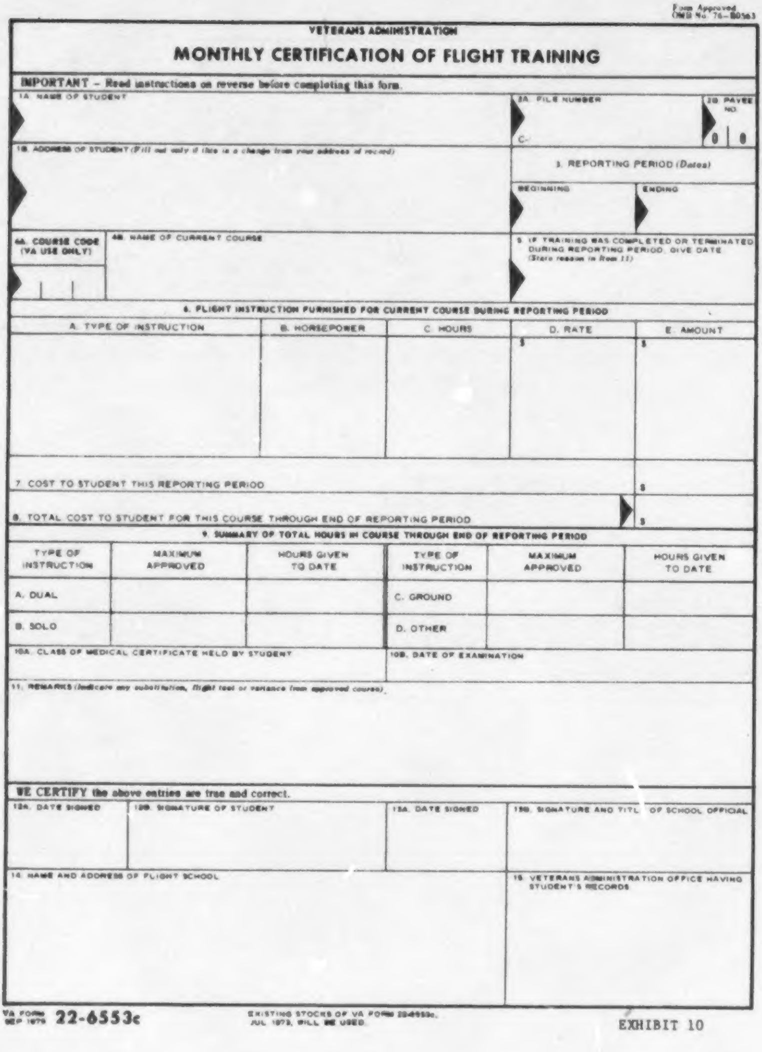
IF STUDENT IS STILL ENROLLED AND PURSUING HIS COURSE—Check (√) "Yes" box in Item 5A and enter in Item 6 the total number of lessons serviced from the date student started this course through the ending date of the period to be certified.

IF STUDENT IS NO LONGER ENROLLED—Check (√) "No" box in Item 5A and enter the date last lesson serviced in Item 5B. In Item 6 enter the total number of lessons serviced from the date student started this course through the date shown in Item 5B.

REMARKS—Report an[illegible] exceptions to the student's certification in Item 7 "Remarks".
Date and sign certificatio[illegible] and send it to the VA office shown in Item 9.

CAU[illegible]—Willful false reports concerning benefits payable by the VA may result in fine or imprisonment, or both.

EXHIBIT 9



Form Approved
OMB No. 76-R0563

VETERANS ADMINISTRATION

MONTHLY CERTIFICATION OF FLIGHT TRAINING

IMPORTANT – Read instructions on reverse before completing this form.

1A. NAME OF STUDENT	2A. FILE NUMBER C-	2B. PAYEE NO. 0 0
1B. ADDRESS OF STUDENT *(Fill out only if this is a change from your address of record)*	3. REPORTING PERIOD *(Dates)* BEGINNING ENDING	
4A. COURSE CODE (VA USE ONLY)	4B. NAME OF CURRENT COURSE	5. IF TRAINING WAS COMPLETED OR TERMINATED DURING REPORTING PERIOD, GIVE DATE *(State reason in Item 11)*

6. FLIGHT INSTRUCTION FURNISHED FOR CURRENT COURSE DURING REPORTING PERIOD

A. TYPE OF INSTRUCTION	B. HORSEPOWER	C. HOURS	D. RATE	E. AMOUNT
			$	$

7. COST TO STUDENT THIS REPORTING PERIOD	$
8. TOTAL COST TO STUDENT FOR THIS COURSE THROUGH END OF REPORTING PERIOD	$

9. SUMMARY OF TOTAL HOURS IN COURSE THROUGH END OF REPORTING PERIOD

TYPE OF INSTRUCTION	MAXIMUM APPROVED	HOURS GIVEN TO DATE	TYPE OF INSTRUCTION	MAXIMUM APPROVED	HOURS GIVEN TO DATE
A. DUAL			C. GROUND		
B. SOLO			D. OTHER		

10A. CLASS OF MEDICAL CERTIFICATE HELD BY STUDENT	10B. DATE OF EXAMINATION

11. REMARKS *(Indicate any substitution, flight test or variance from approved course)*.

WE CERTIFY the above entries are true and correct.

12A. DATE SIGNED	12B. SIGNATURE OF STUDENT	13A. DATE SIGNED	13B. SIGNATURE AND TITLE OF SCHOOL OFFICIAL

14. NAME AND ADDRESS OF FLIGHT SCHOOL	15. VETERANS ADMINISTRATION OFFICE HAVING STUDENT'S RECORDS

VA FORM SEP 1975 **22-6553c**

EXISTING STOCKS OF VA FORM 22-6553c, JUL 1975, WILL BE USED.

EXHIBIT 10

INSTRUCTIONS FOR STUDENTS

1. You and the school should complete this form on or after the last day of the month unless you interrupted or completed your course before the end of the month.

2. We cannot release your check until we receive this form with all items completed. Prompt return of this form will facilitate an early release of your payment.

3. Check all entries to assure that they are correct. Wrong or missing information can delay payment.

INSTRUCTIONS FOR FLIGHT SCHOOL OPERATORS

4. You will expedite the student's payments by sending these certifications to the appropriate VA Regional Office marked for the attention of the Finance Officer. These certifications are due in the VA Regional Office as early as possible after the end of the month in order to effect prompt payments.

5. Show in Item 3 the beginning and ending dates for the reporting period during which the instruction was given.

6. Indicate in Item 4B the name of the flight course in which the student is currently enrolled. If the student completed or interrupted the course for any reason, enter the date in Item 5, and state the reason in Item 11, "Remarks".

7. Report in Item 6 each type of instruction separately, as shown in the example below. Flight time should be reported in accordance with Part 1, FAA Regulations, i.e., from the moment power is applied for the purpose of flight until the time the plane lands and taxis to a final rest.

A. TYPE OF INSTRUCTION	B. HORSEPOWER	C. HOURS
GROUND		5.5
DUAL	100	2.0
DUAL	150	1.5
SOLO	100	3.0
SOLO	150	2.5
Link or Simulator		2.0

D. RATE	E. AMOUNT
$ 8.00	$44.00
25.00	50.00
30.00	45.00
15.00	45.00
20.00	50.00
10.00	20.00

8. In Item 7 report the total charges for instruction given during the reporting period shown in Item 3. In Item 8 report the total charges incurred from the beginning of the course through the end of the current reporting period. If the student enrolls in a new flight course during the report period, a separate certification should be submitted for the period covered by the new course.

9. In Item 9 report the maximum hours approved and the total cumulative hours given for each type of instruction through the end of the current reporting period. *NOTE: Flight instruction in any category, including type of aircraft, may not exceed the approved maximum hours, subject to an allowable deviation of 10% where circumstances require, provided that the total flight hours may not be exceeded.*

10. In Item 10 show the class of medical certificate currently held by the student and the physical examination date upon which it is based. Payment may not be made on the basis of this Monthly Certification unless Item 10 has been completed. *NOTE: VA Benefits are not payable for any flight training pursued on an expired medical certificate.*

11. In Item 11 you should report any substitution, flight test or variance from the student's approved course or any change in enrollment and training status. Examples of such changes are: (a) the student substitutes an aircraft not approved for the course; (b) the student's conduct or progress becomes unsatisfactory.

CAUTION: Willfully false reports concerning benefits payable by the VA may result in fine or imprisonment, or both.

PROTECTION OF PRIVACY INFORMATION

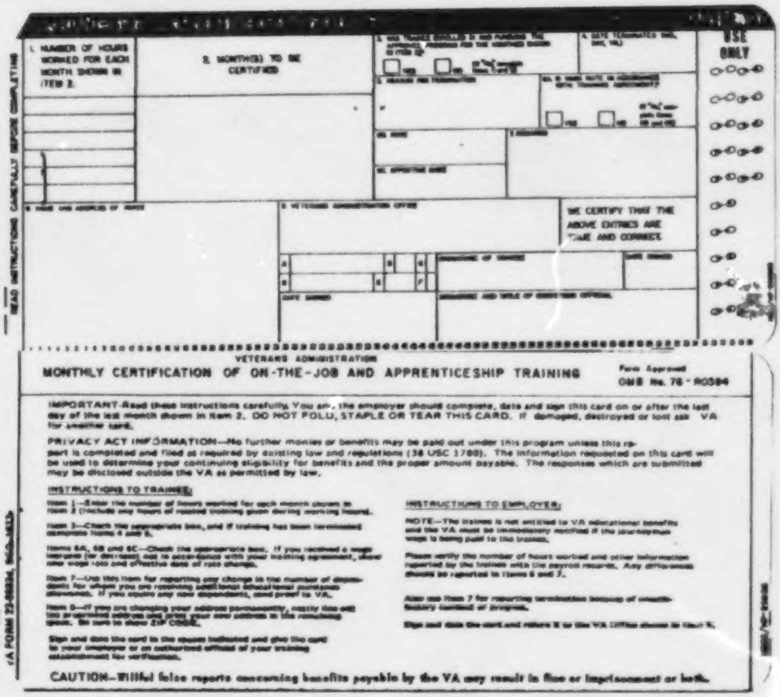
Public Law 93-579 entitled the Privacy Act of 1974, requires that all claimants be informed of the purposes and uses to be made of the information which is solicited. The following is furnished to explain the reason why the information is requested and the general use to which that information may be put.

AUTHORITY: The Veterans Administration is empowered to solicit the information requested in this form under the authority of Title 38, United States Code.

PURPOSE: The information requested by this form is considered relevant and necessary to determine maximum entitlement to the benefit for which you have applied.

USES: The information will be used in your best interests in determining eligibility to the maximum benefits allowable by the law. The responses which are submitted may be disclosed as permitted by law outside the Veterans Administration.

EFFECTS OF NON-DISCLOSURE: Disclosure of the requested information is voluntary. No penalty will be imposed for failure to respond. However, the decision as to entitlement for the benefit you are claiming must then be made on the basis of the available evidence of record. This may result in a delay in the processing of the claim, payment of less than maximum benefits, or complete disallowance of your claim. Failure to provide information in connection with the benefit currently being sought will have no detrimental effect on any other benefit to which you are entitled.



READ INSTRUCTIONS CAREFULLY BEFORE COMPLETING

1. NUMBER OF HOURS WORKED FOR EACH MONTH SHOWN IN ITEM 2.

2. MONTH(S) TO BE CERTIFIED

USE ONLY

VETERANS ADMINISTRATION OFFICE

WE CERTIFY THAT THE ABOVE ENTRIES ARE TRUE AND CORRECT.

SIGNATURE OF TRAINEE

DATE SIGNED

SIGNATURE AND TITLE OF CERTIFYING OFFICIAL

VETERANS ADMINISTRATION

MONTHLY CERTIFICATION OF ON-THE-JOB AND APPRENTICESHIP TRAINING

Form Approved
OMB No. 76 - R0384

IMPORTANT-Read these instructions carefully. You and the employer should complete, date and sign this card on or after the last day of the last month shown in Item 2. DO NOT FOLD, STAPLE OR TEAR THIS CARD. If damaged, destroyed or lost ask VA for another card.

PRIVACY ACT INFORMATION—No further monies or benefits may be paid out under this program unless this report is completed and filed as required by existing law and regulations (38 USC 1788). The information requested on this card will be used to determine your continuing eligibility for benefits and the proper amount payable. The responses which are submitted may be disclosed outside the VA as permitted by law.

INSTRUCTIONS TO TRAINEE:

Item 1—Enter the number of hours worked for each month shown in Item 2 (Include any hours of related training given during working hours).

Item 3—Check the appropriate box, and if training has been terminated complete Items 4 and 5.

Items 6A, 6B and 6C—Check the appropriate box. If you received a wage increase (or decrease) not in accordance with your training agreement, show new wage rate and effective date of rate change.

Item 7—Use this item for reporting any change in the number of dependents for whom you are receiving additional educational assistance allowance. If you acquire any new dependents, send proof to VA.

Item 8—If you are changing your address permanently, neatly line out the preprinted address and print your new address in the remaining space. Be sure to show ZIP CODE.

Sign and date the card in the space indicated and give the card to your employer or an authorized official of your training establishment for verification.

INSTRUCTIONS TO EMPLOYER:

NOTE—The trainee is not entitled to VA educational benefits and the VA must be immediately notified if the journeyman wage is being paid to the trainee.

Please verify the number of hours worked and other information reported by the trainee with the payroll records. Any differences should be reported in Items 6 and 7.

Also use Item 7 for reporting termination because of unsatisfactory conduct or progress.

Sign and date the card and return it to the VA Office shown in Item 9.

CAUTION—Willful false reports concerning benefits payable by the VA may result in fine or imprisonment or both.

EXHIBIT 11

Form Approved
OMB No. [illegible]

VETERANS ADMINISTRATION

NOTICE OF CHANGE IN STUDENT STATUS – INSTITUTIONAL COURSES ONLY

(Under Chapter 32, 34 or 35, Title 38, U.S.C.)

1. FIRST NAME-MIDDLE NAME-LAST NAME OF STUDENT	2. VA FILE NUMBER *(For Ch. 35 include suffix)*

This form is to be used by the school certifying official to report any change in status as required by 38 CFR 21.4203

3. TERMINATION (IF NON-DEGREE PROGRAM – *report date(s) and total absences not previously reported in "Remarks.")*

A. LAST DATE OF ATTENDANCE

B. REASON FOR TERMINATION

☐ WITHDRAWAL OR INTERRUPTION (NON-COLLEGE)
☐ WITHDRAWAL DURING DROP ADD PERIOD *(Not exceeding 30 days)*
☐ WITHDRAWAL AFTER DROP ADD PERIOD–NONPUNITIVE GRADES ASSIGNED *(If checked, complete Item 6)*
☐ WITHDRAWAL AFTER DROP ADD PERIOD–PUNITIVE GRADES ASSIGNED
☐ END OF TERM OR COURSE
☐ UNSATISFACTORY PROGRESS
☐ OTHER *(Explain in "Remarks")*

4. ADJUSTMENT OF CREDIT OR CLOCK HOURS *(Complete Items 4A and 4B and Items 4C-4I as applicable)*

A. DATE ADJUSTMENT IS EFFECTIVE

B. TYPE OF ADJUSTMENT

☐ INCREASE
☐ REDUCTION (NON-COLLEGE)
☐ REDUCTION DURING DROP ADD PERIOD *(Not exceeding 30 days)*
☐ REDUCTION AFTER DROP ADD PERIOD–NONPUNITIVE GRADES ASSIGNED *(If checked, complete Item 6)*
☐ REDUCTION AFTER DROP ADD PERIOD–PUNITIVE GRADES ASSIGNED
☐ OTHER *(Explain in "Remarks")*

C. CREDIT HOURS BEFORE ADJUSTMENT	D. CREDIT HOURS AFTER ADJUSTMENT	E. TRAINING TIME AFTER ADJUSTMENT *(Check ONLY if graduate or advanced professional)* ☐ FULL TIME ☐ 3/4 TIME ☐ 1/2 TIME ☐ LESS THAN 1/2 TIME ☐ 1/4 TIME OR LESS

F. CLOCK HOURS OR HIGH SCHOOL UNITS BEFORE ADJUSTMENT	G. CLOCK HOURS OR HIGH SCHOOL UNITS AFTER ADJUSTMENT	H. NUMBER OF DAYS PER WEEK AFTER ADJUSTMENT *(Complete for non-degree courses only)*	I. REVISED ENDING DATE

5. CHARGES FOR PERIOD OF ENROLLMENT *(Complete this item for all in-service students and for students whose training load after adjustment is less than 1/2 time. List customary charges of the ADJUSTED load by school year, term or other period.)*

A. PERIOD	B. TUITION	C. FEES

6. MITIGATING CIRCUMSTANCES *(Complete only if indicated by Item 3 or 4)*

DOES THE STUDENT CLAIM THAT MITIGATING CIRCUMSTANCES WERE INVOLVED IN THE TERMINATION OR ADJUSTMENT ACTION?

☐ YES ☐ NO ☐ UNKNOWN *(If "Yes," state specific mitigating circumstances in "Remarks" or attach statement from student)*

7. REMARKS

IT IS HEREBY CERTIFIED that the student's status changed on the date indicated and in accordance with the facts shown above

8A. DATE SIGNED	8B. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL	8C. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

VA FORM AUG 1977 22-1999b

SUPERSEDES VA FORM 22-1999b, OCT 197[illegible]
WHICH WILL NOT BE USED

EXHIBIT 12

VA COPY 1

EDUCATION ACTIVITY - STATE OF TENNESSEE

(Taken from 3GA1, Recurring Monthly Report)

	MARCH 1978	MARCH 1979	MARCH 1980
CHAPTER 31			
Institutions of Higher Learning	216	173	164
Non-college Degree	27	22	20
On-job Training/On Farm	10	10	12
Total (Includes part-time)	253	205	196
CHAPTER 35			
Institutions of Higher Learning	1,140	1,084	1,053
Non-college Degree	151	118	93
On-job Training - Apprenticeship	7	8	5
Farm Cooperative			
Other	2	1	
Total	1,300	1,211	1,151
CHAPTER 34			
Institutions of Higher Learning	13,625	11,398	9,845
Non-college Degree	4,677	3,500	3,067
On-job Training - Apprenticeship	1,574	1,492	1,296
Farm Cooperative (included above)	(454)	(318)	(231)
Flight (included above)	(165)	(185)	(202)
Other (included above)			
Total	19,876	16,390	14,208
Total (Three Chapters)	21,429	17,806	15,555

EXHIBIT 13

NUMBER OF COMPLIANCE SURVEYS PER FISCAL YEAR BY TYPE

	FY '78	FY '79	FY '80 (Through August)
Institutions of Higher Learning	46	43	38
Non-college Degree			
1. Flight Schools	14	14	13
2. Other Resident	101	128	118
3. Correspondence	None Approved	None Approved	None Approved
Apprenticeship and other on-the-job	54	56	87
TOTAL	215	241	256

EXHIBIT 14

NUMBER OF POTENTIAL OVERPAYMENTS AND DOLLAR AMOUNT

(Cases reviewed on surveys completed)

	Number of Cases	Total Dollar Amount
December 1978	7	$518.00
January 1979	24	$4,291.00
February	15	$1,246.00
March	4	$579.00
April	19	$15,805.00
May	10	$4,813.00
June	67	$19,283.00
July	19	$18,030.00
August	17	$8,027.00
September	43	$12,040.00
October	20	$4,447.00
November	4	$712.00
December	71	$32,818.00
January 1980	11	$2,862.00
February	19	$3,489.00
March	45	$14,990.00
April	24	$10,628.00
May	8	$1,898.00
June	29	$6,620.00
July	31	$5,889.00
August	50	$3,916.00
TOTAL	537	$172,901.00

EXHIBIT 15

REPORT OF VA EDUCATION OVERPAYMENTS FOR THE STATE OF TENNESSEE

(Taken from COIN EDU 174, a Recurring Quarterly Education Report)

QUARTER ENDING	NUMBER TRAINEES	NUMBER OVERPAYMENTS	DOLLAR AMOUNT OVERPAYMENTS	AVERAGE AMOUNT OVERPAYMENT		PERCENT OF OVERPAYMENT TO TRAINEES	
				STATE	NATIONAL	STATE	NATIONAL
June 30, 1980	15,328	1,510	$429,408.49	$284.38	$332.78	9.9	9.5
March 31, 1980	15,562	1,404	392,749.43	279.74	346.26	9.0	9.3
December 31, 1979	16,547	1,524	442,053.53	290.06	344.45	9.2	8.0
September 30, 1979	13,209	1,586	449,503.86	283.42	364.44	12.0	10.5
June 30, 1979	16,930	1,528	450,317.36	294.71	333.54	9.0	9.0
March 31, 1979	17,602	1,571	485,570.86	309.08	338.26	8.9	8.7
December 31, 1978	18,481	1,442	473,787.13	328.56	326.58	7.8	8.0
September 30, 1978	16,164	1,461	413,141.72	282.78	359.42	9.0	7.9
June 30, 1978	20,548	2,059	604,795.20	293.73	320.43	10.0	9.3
March 31, 1978	21,783	1,943	533,214,91	274.43	315.23	8.9	9.2
September 30, 1977	19,276	2,427	693,699.47	285.83	344.21	12.6	11.5
June 30, 1977 (6 months)	29,708	7,185	2,907,090.19	404.61	375.31	24.2	18.6
December 31, 1976 (6 months)	30,076	4,912	1,945,829.33	396.41	392.44	16.3	13.6

EXHIBIT 16

VA EDUCATION LOAN PROGRAM STATISTICS
(Taken from RCS 22-10, Education Loan Report)

EDUCATION LOAN APPLICATIONS RECEIVED:

PERIOD	TOTAL	ALLOWED (% of Total)	DENIED (% of Total)
January 1, 1975, through July 31, 1978	2,139	1,071 (54.5%)	892 (45.5%)
August 1, 1978, through June 30, 1980	843	256 (25.1%)	763 (74.9%)
Total	2,982	1,327	1,655

EXHIBIT 17

INFORMATION AND INSTRUCTIONS FOR APPLICATION FOR EDUCATION LOAN

1. PRIVACY ACT INFORMATION: No benefits may be paid unless a completed application form has been received (38 U.S.C. 1798). The information requested on this form is necessary to determine your entitlement to a VA education loan. The responses which you submit may be disclosed outside the Veterans Administration as permitted by law.

2. GENERAL INFORMATION

A. **Eligibility.** To qualify for an education loan you must be:

(1) receiving G.I. Bill benefits (under Chapters 32, 34 or 35, Title 38, U.S.C.), *and*
(2) attending school on at least a half-time basis, *and*
(3) enrolled in one of the following types of courses:
  (A) A course leading to a standard college degree; *or,*
  (B) A course leading to a professional or vocational objective which requires at least six months of full-time training for completion; *or*
  (C) A course leading to a professional or vocational objective that requires less than six months for completion but which has been granted a waiver of this (six month) requirement by the VA.

IMPORTANT. (Veterans, spouses and surviving spouses only) Education loans may be granted even if your 10-year period of eligibility to G.I. Bill benefits (delimiting date) has expired. To qualify you must have been receiving G.I. Bill benefits on a full-time basis when this period expired. A loan or loans may be granted after your delimiting date for full-time enrollments only and will be based on any unused entitlement (remaining months of benefits) which you have left at that time. If you meet these requirements your eligibility for loans may be extended to the earliest of the following three dates:

(1) Two years after your delimiting date (NOTE: If your delimiting date was prior to November 23, 1977, you have until November 23, 1979 under this provision); or,
(2) The date your remaining months of G.I. Bill loan entitlement are used up (entitlement is reduced one month for each $311 borrowed); or
(3) The date your program of education is completed or terminated.

You would not be entitled to any additional loans if you change your program of education after your delimiting date has passed.

B. **Restrictions.** NO LOAN WILL BE MADE IF:

(1) You are attending school outside of the United States, its territories and possessions, the Commonwealth of Puerto Rico or the Canal Zone.
(2) You have an outstanding overpayment in your VA education account. You may reapply for a loan once the overpayment has been cleared. However, a loan may not be made for the enrollment period indicated in Item 9 unless the overpayment has been cleared prior to the end of such enrollment period.
(3) You are pursuing any of the following types of training: Correspondence, flight, apprenticeship, on-the-job, or PREP training.

C. **Loan Amount.** Your loan will be based on the amount by which your educational expenses exceed your income. The minimum amount which can be granted is $50. All loans are also subject to the following limitations:

(1) A loan cannot be granted in an amount to exceed $311 multiplied by your months of G.I. Bill entitlement remaining as of the beginning date of the loan period. (Chapter 34 and 35 participants only.)
(2) If you are a participant in the "Post-Vietnam Era Veterans Educational Assistance Program" (Chapter 32), you cannot receive a loan in excess of the amount remaining in your education fund (including VA & Dept. of Defense contributions) as of the beginning date of the loan period.
(3) The maximum loan which can be granted is also limited by the length of your enrollment period. The maximum enrollment period to which a loan may apply is a semester, two quarters, a summer session (8 or more weeks), or 6 months for a course not operating on a term basis. A separate application is required for each period.

(A) Courses Organized on a Term Basis

Period of Enrollment (Items 9A-9D)	Maximum Loan
Semester	$1250
Quarter	830
Two Consecutive Quarters*	1660
Summer Session**	830

*"Two Consecutive Quarters" means fall-winter, winter-spring, or spring-summer.

**"Summer Session" means a designated summer enrollment period of at least 8 weeks duration.

(B) Courses not Organized on a Term Basis

Length of Loan Period (Item 9F)	Maximum Loan Amount
3 through 5 months	$270 per month of enrollment
6 months	1660

D. **Application Period.** You should submit your application as soon as possible but not more than 30 days before the start of classes. An application will not be accepted later than the end of the period for which the loan is requested.

E. **Loan Payment.** If you are granted a loan, it can be paid only after your school has verified your attendance. A fee (not to exceed 3 percent) will be withheld from your loan payment in order to provide a fund to insure against repayment defaults under this law (e.g., if a loan of $200 is approved, you will actually receive $194).

F. **Loan Repayment.** You must begin to repay your loan 9 months after you stop attending school on a halftime or more basis. You may repay in installments over the next 10 years and 9 months after the date you stop attending school on a halftime or more basis or you may prepay all or part of the loan amount, at any time, without penalty. Repayment is deferred if you reenroll on a halftime or more basis.

G. **Accelerated Payments.** You may be eligible to repay part of your VA education loans (granted after January 1, 1978) through the use of accelerated payments. This program permits those persons who have successfully completed their program of education to use their remaining entitlement to cancel a portion of their loan indebtedness. These accelerated payments are not payable to you but are instead assigned to the VA to reduce your outstanding loan balance. In addition, accelerated payments can be made *only* if your state or local Government repays the VA a portion of the loan. To find out if your state or local government has such an assistance program and to

VA FORM
MAY 1979 22-8725

SUPERSEDES VA FORM 22-8725, FEB 1978,
WHICH WILL NOT BE USED.

EXHIBIT 18

obtain applications contact your school financial aid officer, "Vet Rep on Campus," or the Veterans Services Division of the VA Regional Office in your area.

3. COMPLETING THE APPLICATION (STUDENT)

A. Part I. Please provide complete information. Eligible persons receiving Dependents Educational Assistance must provide their full VA file number, including letter suffix, in Item 3.

Item 6 - Enter the name and address of your nearest living relative who does *not* reside in your household. If none, enter the name of your nearest relative residing with you.

Item 7 - Enter the telephone numbers, including area codes, of your current and permanent address and of your nearest living relative.

Item 9 - It is important to indicate the period for which you are requesting the loan since this governs the amount of income to be counted and the maximum loan amount.

B. Part II - Resources

Items 10A - 10F - List all other loans, grants, scholarships, etc., which you have applied for, even if you have not yet been notified of their approval or denial. If you have filed an application for these other benefits and a decision has not yet been made on your claim, enter the word "Pending" in the column entitled "Date Notified." Be sure to indicate the amount requested in the appropriate column.

Item 12A - Include regular G.I. Bill or Dependents Educational Assistance allowance for yourself only.

Item 12B - Include VA work-study benefits.

Item 13A - List current year adjusted gross income (wages, salary, dividends, interest, rental, business, etc.) for yourself only, less the following deductions:

> (1) Authorized deductions for exemptions (currently $750 per exemption);
> (2) Itemized or standard deduction, whichever is greater (however, the standard deduction which may be deducted for this purpose shall be $2200 for a single veteran, $3200 for a married veteran filing a joint return if the spouse has no income, $1600 for a married veteran filing a joint return if the spouse has income, $3200 for a surviving spouse with a dependent child, or $1600 for a married person filing a separate return), and
> (3) Mandatory withholdings such as Federal and State income taxes, social security, and other mandatory deductions.

Item 13B - List current year nontaxable income for yourself only. This includes income from sources such as VA compensation and pension, disability retirement, unemployment compensation, welfare payments, social security benefits, etc.

C. Part III - Costs and Enrollment Data

Item 14 - Report only those expenses which you will incur during the period listed in Item 9. Only those expenses which are reasonably related to your school attendance may be shown.

Item 14C - Complete this item only if you are not paying room and board charges to the school. If living arrangements are shared with others (including spouse or other dependents), enter only your prorated share. This item is limited to expenses for rent, food and utilities. (Utilities may include electricity, gas (or fuel oil), water, sewage and trash collection.)

Item 14D - If you are not living on campus, complete this item to show your actual costs of commuting from your residence to the school. These costs should be your estimated commuting costs for the enrollment period shown in Item 9. (This item cannot exceed 12 cents per mile for each day of classes.)

Item 14E - Itemize all other expenses related to your school attendance, such as typing of research papers.

4. COMPLETING THE APPLICATION (SCHOOL)

The school will complete Part III, Items 15A through 15F. It will also be responsible for reviewing the reasonableness of the student's entries in Items 10 and 14. If the school feels that certain items listed by the student are not accurate or reasonable, the school must list the item numbers as exceptions in Item 15G, "Remarks." For example, if the student lists $200 for books and the school feels that $75 would be reasonable, the school should indicate in remarks: "Exception to Item 14A - $75."

Item 15C - Certify the actual pursuit of the course only for the loan period shown in Item 9 (e.g., one semester, quarter, etc.)

Item 15E - If the student lives on campus or otherwise pays room and board charges to the school, report such charges only for the period shown in Item 9. If the student lives off campus, list the average charges for room and board which will be charged to students living on campus for the enrollment period shown in Item 9. If the school does not provide room and board, list the room and board charges (if known) at the nearest State university or State college and the name of the State school selected.

Item 15F - If the school agrees to receive the VA educational loan and deliver the payment to the applicant, check the box marked "yes"; if a loan is awarded, the payment will be sent to the student in care of the institution. If this institution does not agree to receive and deliver the loan payment, check "no" and the payment will be sent directly to the student's current mailing address.

5. PROMISSORY NOTE (STUDENT)

You will be notified of the decision made on your VA loan request. If a loan is approved, a promissory note will be sent to you showing the loan amount approved, the interest terms (currently 7%) and repayment provisions. You must sign and return this note to the VA before the loan payment may be released.

6. PAYMENT OF LOAN TO APPLICANT - If your school agrees to receive the VA education loan payment (see Item 15F on application) the check will be sent to you in care of the school. Accompanying the check will be a VA Form 4-5220a, Certification of Delivery of Education Loan Payment. This form will serve to verify to the VA that you received your education loan check. After both you and the appropriate school official have signed and dated the form it will be forwarded to the VA, by the school, for processing. If your school does not agree to receive and deliver the education loan payment to you, the loan check will be sent directly to your current mailing address. A VA Form 4-5220a will not be included with checks sent to your current mailing address.

IMPORTANT: For assistance or information contact your "Vet Rep On Campus" if one has been assigned to your school, or the Veterans Services Division of the Veterans Administration Regional Office for your area. (Consult the local telephone book for the number or check with your Veterans Affairs Office on the campus.)

Form Approved
OMB No. 76-R0669

VETERANS ADMINISTRATION

APPLICATION FOR EDUCATION LOAN

(For Veterans and eligible persons entitled under Chap. 32, 34 or 35, Title 38, U.S.C.)

IMPORTANT: Before completing this form, please carefully read the attached instruction sheet. Type or print answers in ink. If additional space is necessary, attach separate sheets and key answers to item numbers.

PART I - IDENTIFICATION DATA

1. NAME OF APPLICANT *(First, middle, last)*	2. SOCIAL SECURITY NUMBER	3. VA FILE NO. *(For Chap. 35, include suffix)*

4. CURRENT MAILING ADDRESS *(No. and Street or Rural Route, Apt. No., City or P.O. Box, State and ZIP Code)*	5. PERMANENT MAILING ADDRESS *(No. and Street or Rural Route, Apt. No., City or P.O. Box, State and ZIP Code)*

6. NAME AND ADDRESS OF NEXT OF KIN *(See Instruction 3A)*

7. TELEPHONE NUMBERS *(Include Area Codes)*

A. CURRENT	B. PERMANENT	C. NEXT OF KIN

8. VA OFFICE WHERE RECORDS ARE LOCATED

9. PERIOD TO WHICH REQUESTED LOAN WILL APPLY

☐ A. SEMESTER
☐ B. QUARTER
☐ C. TWO CONSECUTIVE QUARTERS
☐ D. SUMMER SESSION
☐ E. COURSE NOT ORGANIZED ON TERM BASIS *(Not to exceed 6 months)*

F. LENGTH OF COURSE *(Complete only if Item 9e is checked)* MONTHS

PART II - RESOURCES

DESCRIPTION	AMOUNT REQUESTED	DATE NOTIFIED	AMOUNT APPROVED
10A. GUARANTEED STUDENT LOAN	$		$
10B. NATIONAL DIRECT STUDENT LOAN			
10C. BASIC EDUCATION OPPORTUNITY GRANT			
10D. SUPPLEMENTAL EDUCATION OPPORTUNITY GRANT			
10E. COLLEGE WORK STUDY			
10F. OTHER GRANTS, FELLOWSHIPS, SCHOLARSHIPS AND LOANS			
10G. FAMILY AND/OR SPOUSE'S CASH CONTRIBUTIONS TOWARD EDUCATION AND LIVING EXPENSES			$
10H. TOTAL *(Items 10A through 10G)*			$

11. CASH ASSETS *(On hand at time of application)*

NOTE: Do not report amounts included in Item 10H.

A. CASH ON HAND	$
B. CHECKING ACCOUNT	
C. SAVINGS ACCOUNT	
D. OTHER *(Specify)*	
E. TOTAL	$

12A. TOTAL VA EDUCATIONAL ASSISTANCE TO BE RECEIVED DURING PERIOD TO WHICH LOAN WILL APPLY, FOR SELF ONLY $	12B. TOTAL VA WORK-STUDY ALLOWANCE TO BE RECEIVED DURING PERIOD TO WHICH LOAN WILL APPLY $
13A. ESTIMATED CURRENT YEAR NET AVAILABLE TAXABLE INCOME FOR SELF ONLY *(See Instruction 3B)* $	13B. ESTIMATED CURRENT YEAR NON-TAXABLE INCOME FOR SELF ONLY *(See Instruction 3B)* $

PART III - COSTS AND ENROLLMENT DATA

14. **RELATED EDUCATIONAL EXPENSES** *(To be completed by STUDENT and reviewed by SCHOOL)*
(This item is to include only those expenses which will be incurred during period to which loan will apply.)

A. BOOKS	$	D. COMMUTING EXPENSES *(Check one)* ☐ PUBLIC TRANSPORTATION *(Actual)* ☐ PRIVATE CONVEYANCE *(Miles per day X .12¢ X number of days in enrollment period in Item 9)*	
B. SUPPLIES			
C. NON-INSTITUTIONAL ROOM AND BOARD, SELF ONLY *(Enter actual cost or room and board charges at school, whichever is less)*		E. OTHER SCHOOL RELATED EXPENSES *(Itemize, use separate sheet if necessary)*	
		F. TOTAL	$

VA FORM MAY 1976 **22-8725**

SUPERSEDES VA FORM 22-8725, FEB 1976, WHICH WILL NOT BE USED.

15. INSTITUTIONAL CHARGES AND ENROLLMENT DATA *(To be completed by SCHOOL)*

A. NAME OF EDUCATIONAL OR VOCATIONAL OBJECTIVE FOR WHICH CURRENTLY ENROLLED	B. EXPECTED DATE OF GRADUATION

C. ENROLLMENT - EFFECTIVE DATES OF LOAN PERIOD *(See Item 9)*		D. NUMBER OF HOURS		E. CHARGES FOR PERIOD OF INSTRUCTION		
SCHOOL OPERATING ON TERM BASIS - Enter beginning and ending dates of semester, quarter or term for which enrolled *OTHER SCHOOL - Enter first and last date of scheduled attendance.*		*Enter credit hour load or clock hours of attendance per week for each period of enrollment.*		*Enter total charges for enrollment period shown in Item 15c.* *(Do Not include cost of books and supplies under fees.)*		
BEGINNING	ENDING	CREDIT	CLOCK	TUITION	FEES	RM. AND BOARD *(See Instruction 4)*

F. DOES THIS INSTITUTION AGREE TO RECEIVE THE VA EDUCATION LOAN PAYMENT AND DELIVER THIS PAYMENT TO THE APPLICANT?

☐ YES ☐ NO *(IF "YES," ALL ITEMS IN PART IV UNDER THE HEADING "SCHOOL CERTIFICATION" MUST BE CERTIFIED TO. IF "NO," ONLY CERTIFICATIONS (1), (2) AND (3) WILL APPLY TO YOUR INSTITUTION.)*

G. REMARKS

PART IV - CERTIFICATIONS

SCHOOL CERTIFICATION: (1) Facts stated above by this institution are true and correct; (2) Facts stated by student in Part II, Item 10, and Part III, Item 14, have been reviewed and appear accurate and reasonable (those items which do not appear to be accurate or reasonable are shown in Item 15G, "Remarks"); (3) This institution agrees to report promptly to the VA any enrollment changes made in the student's institutional records which would affect his or her educational loan: NOTE: Certifications (4), (5) and (6) apply only to those institutions participating in the VA educational loan program, (4) This institution agrees to receive loan payments under section 1798(f) (2), title 38, U.S.C., and agrees to deliver such payments to the eligible student as soon as practicable after their receipt; (5) This institution agrees to complete and return to the VA, the VA Form 4-5220a, Certification of Delivery of Education Loan Payment, which is enclosed with the check, within 30 days of delivery of the check to the eligible student; (6) If the check cannot be delivered because the eligible student withdraws from training, this institution agrees to return the unopened envelope containing the check to the Treasury, as soon as possible, and no more than 30 days after the changes in student status.

16. DATE SIGNED	17. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL	18. NAME AND ADDRESS OF SCHOOL

STUDENT CERTIFICATION: I request a loan in the amount of $____________________ and I hereby certify that: (1) Facts which I have stated in Parts I, II and III above are true and correct to the best of my knowledge and belief; (2) This loan will be used only for educational purposes during the period to which this application applies; (3) I understand that a fee of 3 percent of the approved loan amount will be deducted to insure against default on loans made under this law; (4) I hereby assign to the benefit of the Veterans Administration the amount of any accelerated payment to which I may become entitled from the VA and any matching contribution from a State or local governmental unit paid under section 1682A(b) (8), title 38, U.S.C.; (5) I understand that the law provides severe penalties which include fine or imprisonment, or both, for the willful submission of any statement or evidence of a material fact, knowing it to be false, or for the fraudulent acceptance of any payment to which I am not entitled.

19. SIGNATURE OF STUDENT	20. DATE

CAUTION - WILLFULLY FALSE STATEMENTS CONCERNING MATTERS IN ANY DOCUMENT REQUIRED BY THIS LAW MAY SUBJECT THE PERSON TO FINE OR IMPRISONMENT OR BOTH

FOR VA USE ONLY

ACTION TAKEN		APPROVED	AMOUNT $ 00	SCHOOL FACILITY NUMBER	PAYMENT DATA LOAN NUMBER EL
			AMOUNT $ 00	SCHOOL FACILITY NUMBER	SCHEDULE NUMBER
		DISALLOWED *(Give Reason)*			PAYMENT DATE

ADJUDICATOR	DATE	AUTHORIZER	DATE	RO NO.

☆U.S. Government Printing Office: 1976—381-142/1823

VETERANS ADMINISTRATION

EDUCATION LOAN WORKSHEET

1. NAME OF APPLICANT	2. VA FILE NUMBER C-	3. PAYEE NUMBER

4. ENROLLMENT PERIOD TO WHICH LOAN WILL APPLY

FROM TO

ITEM	DESCRIPTION *(Enter amounts from indicated Items on VA Form 22-8725, Application for Education Loan)*	AMOUNT
5. RESOURCES	A. TOTAL LOANS, GRANTS, SCHOLARSHIPS, FAMILY AND/OR SPOUSE'S CASH CONTRIBUTIONS, ETC. *(Item 10B)*	$
	B. CASH ASSETS *(Item 11E)*	
	C. VA EDUCATIONAL ASSISTANCE *(Single rate only) (Item 12A)*	
	D. VA WORK STUDY *(Item 12B)*	
	E. ANNUAL EFFECTIVE INCOME *(Item 13A plus Item 13B)* X F. ENROLLMENT FACTOR *(From M22-2, Part IV, Chapter 14)* =	
	G. OTHER	
	H. TOTAL	$
6. COSTS	A. BOOKS AND SUPPLIES *(Items 14A and 14B)*	$
	B. NONINSTITUTIONAL ROOM AND BOARD *(Item 14C) (Complete only if Item 14C is less than room and board shown in Item 15E)*	
	C. COMMUTING EXPENSES *(Item 14D)*	
	D. OTHER SCHOOL RELATED EXPENSES *(Item 14E)*	
	E. TUITION AND FEES *(Item 15E)*	
	F. INSTITUTIONAL ROOM AND BOARD *(Item 15E) (Omit if 6B, above, is completed)*	
	G. TOTAL	$
7. MAXIMUM LOAN AMOUNT	A. AMOUNT NEEDED *(Subtract 5H from 6G)*	$
	B. AMOUNT REQUESTED BY APPLICANT	
	C. MAXIMUM LOAN FOR ENROLLMENT PERIOD *($1250 - Semester)*	
	D. ABSOLUTE MAXIMUM *(For Chs. 34 and 35, multiply $311 by the months of remaining entitlement. For Ch. 32 use amount remaining in Fund from all sources)*	$
8. APPROVED LOAN AMOUNT *(Enter the lesser of 7A, 7B, 7C, or 7D, rounded to the nearest $10)*		$

9. REMARKS

10. SIGNATURE OF PREPARER	11. DATE	12. STATION NUMBER

VA FORM
MAY 1976 **22-8727**

SUPERSEDES VA FORM 22-8727, FEB 1976,
WHICH WILL NOT BE USED.

EXHIBIT 19

Regional Office

110 9th Avenue South
Nashville, TN 37203

Veterans
Administration

Your request for a VA education loan has received conditional approval.

The enclosed Promissory Note (VA Form 22-8726) states the amount and conditions of your loan. Read this note carefully. The paragraph checked below refers to provisions contained in the promissory note.

☐ To be entitled to this loan, you must either be currently enrolled on a halftime or more basis, or have completed the entire term on a halftime or more basis.

☐ Your education loan is based on an enrollment period which began after your delimiting date. To be entitled to this loan, you must be enrolled on a full-time basis for the program of education certified on your loan application. You would also be entitled if you have already completed the entire school term (on a full-time basis, and for this same program of education). Prior to approval of this loan your remaining entitlement for loan purposes was________months. After you negotiate the loan check your remaining entitlement will be________months.

If you understand and agree to the terms of the promissory note, you should sign, date and return the original and one copy to the Finance Office at the address shown above. The second copy should be retained for your records. The signed promissory note must be returned to the VA within 30 days from the date of this letter, or the conditional loan approval will become void.

If you do not agree with the terms of the note, you may file a Notice of Disagreement, which is the first step in the appeal process. Your procedural and appellate rights are described on the reverse side of this letter. If you do file a Notice of Disagreement, you may choose to submit the enclosed note for payment (providing you meet all stated conditions) while your appeal is in progress.

Once the completed promissory note is received in the VA, we will expedite the processing of your loan payment. The promissory note is effective when you cash the loan payment check. Please note, you must still meet the requirements of school attendance, etc., as outlined in the promissory note, at the time you cash the loan check. If you do not meet these requirements, return the check unsigned to the address shown on the check envelope.

Sincerely yours,

ENROLLMENT PERIOD TO WHICH THIS LOAN APPLIES	
BEGINNING DATE	ENDING DATE

Adjudication Officer

Enclosure

FL 22-891
Oct 1979 (R)

In Reply Refer To:

EXHIBIT 20

NOTICE OF PROCEDURAL AND APPELLATE RIGHTS

We have based our decision on the evidence of record in your case and the applicable law. This explains your procedural and appellate rights in connection with this decision.

REPRESENTATION. You may be represented, without charge, by an accredited representative of a veterans organization or other service organization recognized by the Administrator of Veterans Affairs, or you may employ an attorney to assist you with your claim. Typical examples of counsel who may be available include attorneys in private practice or legal aid services. The services of a recognized attorney are subject to a maximum fee limitation of $10, set forth in 38 U.S.C. 3404(c). Expenses incurred in the prosecution of a claim must be approved in accordance with 38 C.F.R. 14.650 prior to demanding or receiving reimbursement from the claimant. If you desire representation, let us know and we will send you the necessary forms. If you already designated a representative, no further action on your part is required.

NEW EVIDENCE. You may submit additional evidence to strengthen your claim. It is in your interest to send us any new evidence as promptly as possible. We will carefully consider it and let you know whether it changes our decision.

PERSONAL HEARING. If you desire a personal hearing to present evidence or argument on any point of importance in your claim, notify this office and we will arrange a time and place for the hearing. You may bring witnesses if you desire and their testimony will be entered in the record. The VA will furnish the hearing room, provide hearing officials, and prepare the transcript of the proceedings. The VA cannot pay any other expenses of the hearing, since a personal hearing is not required.

APPEAL. You may appeal our decision to the Board of Veterans Appeals at any time within one year from the date of this letter if you believe the decision is not in accord with the law and the facts now of record. You can start the appeal process by filing a Notice of Disagreement. You may do this by writing a letter to this office stating that you wish to appeal. If more than one benefit is involved, you should identify the benefit or benefits for which you are appealing. If you decide to appeal, we will advise you further as to your procedural rights as your claim progresses through the several stages of the appeal process.

FL 22-801
Oct 1979 (R)

Mr. **Hefner**. Thank you, Mr. Courtney; your entire statement will be part of the record. We appreciate all the time that you have spent putting this together. We are happy to have you here today.

At this time I would yield to my colleague for some questions.

Mr. **Boner**. Can you give us the approximate number of Tennessee veterans who are presently enrolled in VA education and training programs?

Mr. **Courtney**. Yes, sir, as of March 1980, there were approximately 15,550. Currently, I would estimate that figure to be somewhere around 14,000.

Mr. **Boner**. Do you have information as to the approximate number of Vietnam veterans or percentage of Vietnam veterans in the State of Tennessee who have received this training?

Mr. **Courtney**. Yes, sir, as Mr. Bielak pointed out, there are approximately 167,000 Vietnam veterans in the State of Tennessee, and approximately 52 percent of those have taken advantage of the educational benefits.

Mr. **Boner**. Are overpayments of educational benefits a problem in your area?

Mr. **Courtney**. Yes, sir, I would have to conclude that they are, inasmuch as the size and numbers of accounts that are affected are significant.

Mr. **Boner**. Do you have any information as to the approximate total number of or percentage of veterans who have been enrolled in educational and training programs in which an overpayment has occurred and the approximate total dollars of such overpayments?

Mr. **Courtney**. Well, sir, I would estimate that in the last year, there was an overpayment in approximately 6,000 accounts, and that would represent approximately 8 to 10 percent of all of those eligibles. The dollar amount I am not sure of, sir.

Mr. **Boner**. You said there were 6,000 accounts that were overpaid?

Mr. **Courtney**. In the last year, 6,000 overpayment actions were taken.

Mr. **Boner**. What do you mean now when you say "overpayment actions?"

Mr. **Courtney**. That probably would not involve 6,000 individual veterans. There were 6,000 overpayment actions taken, and it is conceivable that in an individual veteran's case, there could be several overpayment actions in a year.

Mr. **Boner**. Can you briefly tell us the basic causes of overpayment and who you feel is primarily responsible for such overpayments?

Mr. **Courtney**. Well, sir, I would conclude that the primary reason for an overpayment is that an individual terminates his training earlier than that which was stated to us originally on an enrollment certification. Another primary area would be when an individual reduces his or her credit hour load in the middle of a term. Those are the two primary areas.

In terms of responsibility, I would have to conclude that, first of all, the student has the primary responsibility for notifying the Veterans' Administration when an overpayment occurs, or rather

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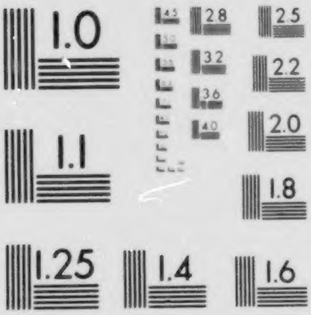
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MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS
STANDARD REFERENCE MATERIAL 1010a
(ANSI and ISO TEST CHART No. 2)

when a change in his or her enrollment occurs that might affect the benefit payment.

Thereafter, I think, based upon our experience in the State of Tennessee, school officials, primarily certifying officials, have done a very fine job in notifying us promptly when a change in enrollment occurs so that we can timely adjust an account.

Mr. BONER. When you say that the schools promptly notify you about a change of enrollment, are you saying that the school will tell you if the student has quit or if the student has reduced the number of hours that the veteran is taking?

Mr. COURTNEY. Yes, sir, the school has a responsibility to the Veterans' Administration to notify us promptly, and by that I mean within 30 days of the happening of an event that results in or could result in a change in educational assistance benefits payable.

I would estimate that no more than 5-percent of all adjustments that take place that result in overpayments are late reports within the meaning of that 30-day period.

Mr. BONER. Let me make sure I am with you. You are saying, then, that the school has the responsibility to notify the Veterans' Administration within 30 days after there has been a change?

Mr. COURTNEY. That is correct.

Mr. BONER. What was the figure, the 5-percent figure?

Mr. COURTNEY. The 5-percent figure is a comparison of the total number of changes that occur in a year that are reported to us, only 5 percent of those or less exceed the 30-day limit.

Mr. BONER. So you are saying that most of the institutions do report promptly what this change is?

Mr. COURTNEY. Yes, sir.

Mr. BONER. May a school be held liable for overpayments and, if so, how do you determine their liability?

Mr. COURTNEY. Schools may be held liable. That reference in the statute is title 38, U.S.C. 1785. The school officials in the State of Tennessee are very familiar with that provision. We have discussed the importance with them of prompt reporting on numerous occasions. The procedure by which we go about determining whether a late report will subject a school to a holding of potential school liability is an elaborate one taking into account the variety of situations that can occur in an enrollment change.

Once there is evidence that a school either willfully or negligently or fraudulently has certified an individual enrollment or several enrollments, that is the point in time at which I as an adjudication officer exercise responsibility and authority in proposing a potential holding of school liability.

Thereafter, a school liability committee in the regional office would conduct a hearing on the issue and render a decision in the case.

Mr. BONER. If you determined that a school is liable and the veteran does not repay the overpayment, do you then attempt to collect the overpayment from the school?

Mr. COURTNEY. Yes, sir.

Mr. BONER. How many instances in the last year in Tennessee have you been able to collect or prove that an institution was willfully misrepresenting the facts?

Mr. **Courtney**. In the last year we have attempted collection in two such instances, and in each instance it resulted in a compromise offer by the school for payment of the amount in question.

Mr. **Boner**. Approximately how many schools, institutions, would you say that has involved?

Mr. **Courtney**. On a monthly continuing basis, I review instances of reported late reports to determine whether any of our schools fall into the potential category of school liability. The two schools that I mentioned are the only two schools currently that are in question.

Mr. **Boner**. As a teacher, an ex-teacher, I should say, at an institution of higher education here in Nashville, I am especially interested in this. Given the fact that most schools nowadays do not take attendance or keep accurate attendance rolls of their students attending classes, do you find this to be one of the difficulties in a school not promptly and properly notifying the VA when a veteran drops out of school or when there is a change in the enrollment status?

Mr. **Courtney**. Well, sir, in my opinion, yes. That can give rise to a lengthy delay in terms of the school's ability to notify the Veterans' Administration of a change.

Mr. **Boner**. Do schools receive any payment from the VA or certification that a veteran is enrolled in a school or changes any of his courses or drops out of a school?

Mr. **Courtney**. Yes, sir, there is an annual reporting fee that is provided the schools for furnishing the certification service to the Veterans' Administration, and that is computed on the basis of the number of students enrolled.

Mr. **Boner**. I want to come back. You say that approximately 5 percent of the institutions are failing to report promptly within the 30-day period.

Mr. **Courtney**. Pardon me, sir. I believe that what I said was there are instances totaling approximately 5 percent of the total cases that we handled; that was not a reference to 5 percent of the schools in the State of Tennessee.

Mr. **Boner**. You are saying then that 5 percent, the figure you were using was 5 percent, that those are just the fault of the school not notifying the VA promptly that a veteran has changed his or her status?

Mr. **Courtney**. Yes, sir.

Mr. **Boner**. In your opinion, why are we not able to determine how we have this prolonged period of 2 or 3 or 4 months before we stop the benefits, before we recognize that the veteran has changed his status, and that he or she is receiving this money when in fact they are not enrolled in school or they are receiving money when they are going on a part-time rather than a full-time basis?

Mr. **Courtney**. Well, sir, one of the points that you alluded to earlier was that there is no requirement for a school to maintain attendance records, and I think that that is one of the primary areas where schools have difficulty.

Basically, though, it seems to me that the responsibility is on the individual veteran to notify the agency whenever a change in his enrollment occurs that might affect the benefit payable. They are notified of that at the time that an award notice is issued.

Mr. BONER. From your position with veterans, what recommendations would you give to the institutions to more promptly determine if and when a veteran has changed his or her status?

Mr. COURTNEY. Well, a number of the institutions in the State of Tennessee have established, and I would guess every institution has established, a procedure whereby they receive information from the instructor, when it comes to their attention, that an individual has no longer chosen to come to the course or has terminated the course for some reason. I don't know specifically how I might suggest strengthening that.

Mr. BONER. Thank you, Mr. Chairman.

Mr. HEFNER. Thank you, Mr. Courtney.

I have a couple of short questions.

At an institution in the State of Tennessee, do they have the same attendance requirements for a veteran as for a nonveteran?

Mr. COURTNEY. If there are attendance requirements, yes, sir. The attendance requirements to my knowledge in every situation are the same.

Mr. HEFNER. Just because someone was going to the University of Tennessee or wherever there would be no more requirements put on a veteran than on somebody who was taking on an athletic scholarship?

Mr. COURTNEY. Not to my knowledge.

Mr. HEFNER. Legislation that affects veterans we have to do on a nationwide basis, and it has to be this way.

Do you believe that the loan program, as it is presently administered, is adequate for the veteran who is in need of additional funds to meet his educational costs? Is it sufficient for colleges in this area? Now, we have some areas of the country that they refer to as high-cost areas, but the program has to be uniform. Is that adequate for the schools and the colleges in this area?

Mr. COURTNEY. Sir, in the State of Tennessee there are very few schools that meet the criteria of "high-cost institutions" which is figured on the basis of $700 tuition and fees for a school year. In that respect, I would have to conclude as a personal opinion that the education loan program perhaps is not as responsive to those individuals.

I think high cost institution is a relative consideration. When an individual's assets do not allow that individual to pay for an education, strictly comparing available assets with education-related expenses, then I would think that an education loan would be appropriate, and I believe that that was probably Congress intent.

Mr. HEFNER. The question is, do you think that they are adequate for the majority of the schools?

Mr. COURTNEY. As I pointed out, in the State of Tennessee there are very few schools that have tuition and fees in excess of that $700 limit. Therefore, I would conclude on that basis that perhaps the education loan program is not adequate for the veterans of the State of Tennessee.

Mr. HEFNER. I have no further questions.

Mr. Hall?

Mr. HALL. I want to thank you for a very fine presentation that you have made today both orally and in your written statement. I would like to ask one or two questions, however.

What additional assistance or aid do you think that the Congress might be in a position to do that might help you to recover those overpayments that we are talking about? What tools do you need that you don't have now?

I will say at the outset in one of the bits of testimony that we will hear, something was said about the need to have the social security number of a veteran in order to try to locate him and get more information on him.

I understand the bill that was passed yesterday, which Chairman Hefner has mentioned, will give you that information, in other words, to get around the Privacy Act that heretofore has kept you from getting into that field.

What additional information do you think may be of assistance to you?

Mr. COURTNEY. If I understand your question, are you asking what additional avenues might I suggest that we have in order to collect overpayments?

Mr. HALL. Yes.

Mr. COURTNEY. Certainly that would be one area that would be of great help.

The finance officer perhaps could respond to this question better than me. I understand that the greatest number of cases where we have difficulty in collection it is a result of our inability to identify the current location of a claimant. That would certainly be an area. If we could identify where the person was, either through the use of the information available through the Internal Revenue Service, or through the Social Security Administration, as well, that might be helpful.

Mr. HALL. When a student enrolls in a college, university, or trade school, how long does it take the Veterans' Administration to know about that transaction as to when that person is enrolled and what courses and what length of time he will be in that school?

Mr. COURTNEY. Normally the application process begins with a person completing an application for the benefit in question, and generally speaking the form is completed at the school and an enrollment certification is forwarded at the same time the application is submitted. We also receive applications for benefits through the mail from claimants directly without an enrollment certification, and we also avail ourselves of the service organization representatives in our Veterans' Services Division.

Mr. HALL. You verify the applications, and do you verify the legitimacy of the schools that these people may be attempting to enroll in prior to approving these applications?

Mr. COURTNEY. Yes, sir; one of the first steps is a careful screening of the application to determine what the individual is requesting in terms of a final educational, professional, or vocational goal and then determine whether the courses that that individual is requesting to take are commensurate with that final objective, and that the school in question can offer such courses toward that objective.

We verify military service to insure that there is basic eligibility, and we currently have 609 educational institutions in the State of Tennessee that are approved for veterans benefits.

We do review the application very thoroughly and any supporting documents before an award is made.

Mr. HALL. When a person makes an application and you perform all of the functions that you have just mentioned, and assuming that everything works out properly and is in order, how long does it take that veteran to receive his first check or the school to receive their first check?

Mr. COURTNEY. From the date that we receive an application, assuming that all of the paperwork is in order, and that we have proper verification of service, an individual can receive a check within 2 to 4 weeks.

Mr. HALL. Do you keep any type of control, and I don't mean day-to-day operations, but do you keep any type of supervision or control over that person's whereabouts during the time that he or she might be enrolled in school, or do you leave that up to the college or university?

Mr. COURTNEY. In the case of a student attending an institution of higher learning, there is essentially a recertification process. We send the school a certification card that purports to verify that that student actually attended as he originally was enrolled. This is usually done once a year, once a school year.

Mr. HALL. Is that often enough? Could you have better control over that particular person if you had a followup more often than once a year?

Mr. COURTNEY. Understanding that approximately 70 percent of our veterans are enrolled in institutions of higher learning, and a great number of the overpayments that we are talking about today stem from those enrollments, yes, sir, I would conclude that in my opinion an increase in the certification process might be desirable.

Mr. HALL. Is the certification process something that you cannot verify? Do you have the authority under existing law to have a verification process more often than once a year? Can you initiate that yourself?

Mr. COURTNEY. No, sir.

Mr. HALL. Is that something that will take congressional action to give you that additional authority?

Mr. COURTNEY. I don't believe that that would require congressional action.

Mr. HALL. I thought you had the authority under existing law to make additional verifications as often as you thought might be necessary to confirm or deny the fact that an individual may or may not be in school.

Mr. COURTNEY. I was perceiving your question to be me as opposed to me representing the agency when I responded to that question.

I believe that the agency does have the authority to add those additional certification requirements.

Mr. HALL. From what I understand of the prior testimony, you have close to 2.8-percent overpayments now in the State of Tennessee.

Mr. COURTNEY. Yes, sir.

Mr. HALL. Do you think that if you had those verifications twice a year that it might cut down on that 2.8-percent overpayment? Would it not give you a better handle on what you are dealing with?

Mr. COURTNEY. Yes, sir; it might.

The understanding that schools review their records at the end of each term certainly, and in a number of instances, more routinely than that, may well not add too much to the process in terms of its effectiveness.

Mr. HALL. Well, do the colleges or universities usually contact you on any occasions prior to the expiration of that 1 year to tell you that a student or students has changed his enrollment in that school?

Mr. COURTNEY. Yes, sir; with the understanding that they have 30 days from the occurrence of an event that results in a change in enrollment that might affect the benefits, and they generally are very timely in meeting that requirement. Yes, sir; I think that indicates that they are responsible.

Mr. HALL. Are those students told at the time they receive the loans that at the expiration of 9 months after they matriculate or leave or change, the loan will mature? How are they given that information?

Mr. COURTNEY. In terms of the education loan program and student notification that an education loan should be repaid, they are notified of that on the instruction sheet to the application. They are also notified on the promissory note itself that they sign as their agreement to repay of the conditions of the repayment.

Mr. HALL. Are they given a copy of that note for their own permanent records? I see someone nodding. I assume that they are?

Mr. COURTNEY. Yes, sir; they are.

Mr. HALL. I notice in someone's testimony, that at the expiration of 9 months, and that person maybe has left, you notify them by letter and use a certain form that you prescribe?

Mr. COURTNEY. Yes, sir.

Mr. HALL. If you have not had a followup or reply, then you follow up at another interval with another letter requesting payment in full?

Mr. COURTNEY. Yes.

Mr. HALL. If you do not hear anything from that second letter, you then consider that as uncollectable?

Mr. COURTNEY. That is my understanding.

Mr. HALL. Does it ever occur to you that some of these cases should be referred to the Department of Justice?

Mr. COURTNEY. In terms of the regional office collection efforts, I would have to defer to the finance officer on that question.

Mr. HALL. Do you have any independent recollection of any cases ever having been referred to the Department of Justice?

Mr. COURTNEY. As to education loan defaults, I do not have personal knowledge of that, sir.

Mr. HALL. If one of these cases was referred to the Department of Justice and publicity given to it, it could have a chilling effect and may bring others who are in that same position around to making some payments. They are not going to come voluntarily to you and say, I owe you some money, if you have the same kind of folks in Tennessee as we have in my part of Texas.

Thank you, Mr. Hefner.

Mr. HEFNER. I would like to mention that under the bill that we passed yesterday, we anticipate what could be $170 million in cost savings as a result of provisions to allow the Veterans 'Administration to disclose names and addresses of veterans and other information to consumer reporting agencies for debt collection purposes and to authorize the Veterans' Administration to charge interest on debts owed the Federal Government, plus additional charges to cover the cost of the debt collection procedure. Another provision eliminates time limitations on debts owed the United States for programs administered by the Veterans' Administration.

Perhaps these provisions will be of some help in this area.

I yield to the gentleman from Texas, Mr. Leath.

Mr. LEATH. Thank you for outstanding written and oral testimony and excellent responses to the questions.

As pointed out earlier and as the committee already knows, there is a 70-percent default rate nationally and a 62.2-percent default rate in the educational loans in Tennessee.

Do you know, or could you project the reason why that default rate is so high? That is just an abhorrent thing to me, that we would have a default rate nationally of 70 percent and in Tennessee of about 62 percent.

What really do you think is the reason for that?

Mr. COURTNEY. I think that is a question that is very difficult to respond to. I think that the agency has properly notified claimants of their responsibilities. Perhaps there is a true misunderstanding in the general population that this is not a benefit, like our educational assistance program, in that the education loan needs to be repaid.

Mr. LEATH. Of course, Mr. Hall questioned at some length along that line.

Do you think that there needs to be a greater effort on the part of the agency, the VA, to make certain that those students understand, or do you perceive that that is indeed a problem, that we are doing something wrong somewhere in the administration of the process so that the recipient does not act like this is a loan as opposed to an educational benefit that is not to be repaid?

Mr. COURTNEY. I am not sure what the agency could do in addition to its current efforts inasmuch as we have communicated on more than two occasions to an individual claimant that we have disbursed a loan, to have his or her responsibilities in that regard.

Perhaps there could be additional publicity given that particular aspect of the education loan program.

Mr. LEATH. I would think it would be imperative that anyone who is going to sign a note understand all the terms of that note, and I would certainly hope that the VA across the country is insuring that veterans understand their responsibilities.

It appears that possibly we are not, and perhaps that is something that you might give some thought to. We would be delighted for you to submit some written testimony into the file of the hearing at a later date, after you have had time to think about it a little bit, about what might be done here in Tennessee and on a national level at the initiation of the loan.

Also, as Chairman Hefner pointed out, in the legislation that passed the House yesterday, we gave authority for the VA to report to credit rating bureaus on the location of individuals.

Of course, we are talking about the other end of the loan now, not the end when the veteran receives the loan initially but after it has gone into default. Do your records indicate that lack of ability to locate those veterans is a significant problem?

Mr. **Courtney**. Yes, sir; that is my understanding.

Mr. **Leath**. What percentage?

Mr. **Courtney**. I don't have information to that effect. Perhaps the finance officer would.

Mr. **Leath**. It is also my understanding that the VA will not authorize a loan if the claimant has defaulted on a previous loan or if there is an outstanding overpayment for educational assistance allowance. Do you find that many veterans are applying for loans who have in fact defaulted on previous loans or who have an overpayment from the educational assistance allowance?

Mr. **Courtney**. I don't have any specific figures in terms of that. The majority of the loan applications that we have handled since August 1978 that resulted in a denial, where as a result of the comparison of assets to education-related expenses, assets exceeding the expenses involved and, therefore, there was not a specific need for the benefit as determined by the rules, more so than the provision that there might have been an overpayment in the account.

We will make a conditional approval of a loan as long as the education-related expenses exceed the available assets, and notify the claimant that when the overpayment is liquidated that we can in fact disburse that loan.

I think the number in that regard is very few.

Mr. **Leath**. Has your office received applications for loans under a program which provides loans and in certain cases where the veteran's 10 years delimiting date has expired and, if so, do you recall the approximate number of such applications and the number of that might have been approved?

Mr. **Courtney**. Yes, sir; since January 1, 1979, we have received 40 such applications and approved 11 of those, 27 percent.

Mr. **Leath**. Thank you again, Mr. Courtney, for your fine cooperation.

I have no more questions.

Mr. **Hefner**. Thank you, Mr. Courtney. We have no further questions.

Thank you very much.

Our next witness will be Mr. John Mask, Finance Office of the Veterans' Administration.

We have your statement; it will be entered in the record in its entirety.

STATEMENT OF MR. JOHN MASK, FINANCE OFFICER, VARO, NASHVILLE, TENN.

Mr. **Mask**. I will be brief on this. Much of it has already been covered.

The educational allowance overpayment takes two routes. If the veteran remains in school, we deduct it from his or her future payments to recoup the overpayment. If the veteran has terminated training, then it is transferred to what we call CARD, Centralized Accounts Receivable Division in St. Paul, and they have their procedures that they go through to collect it.

If it is under $600 and they are unsuccessful in collecting it, they rule it uncollectable and transfer it back here to the regional office. Those over $600 they refer to the U.S. attorney for collection. On those cases that are transferred back to this station, we make no effort to collect it per se. If a veteran comes in for another benefit such as veteran's compensation, further education allowance, then we withhold this overpayment before we pay him or her any money.

We have at the present time in excess of 21,000 overpayments totaling $6.8 million. Here in this regional office, the——

Mr. Hall. Would you repeat that figure, please?

Mr. Mask. That is 21,302 overpayments for $6,847,303. This is since the program began.

Mr. Hall. Is that under $600?

Mr. Mask. Sir?

Mr. Hall. Is that the amount of the overpayments that are less than $600?

Mr. Mask. That is all of it, over $600 and less than $600.

Mr. Hall. What is the amount under $600 that has been reported back?

Mr. Mask. Just a second:

I don't have the percentage here, but the ones that have been reported back, of those 21,000, in the chapter 34 program, those returned to the regional office, 18,715 for a total of $5,279,024.

Mr. Hall. That is $5 million reported returned to the regional office collectable.

Mr. Mask. The chapter 35, 673 overpayments total $188,591.

Mr. Hefner. Would the gentleman yield?

We hate to keep interrupting you; up until a short time ago, the under $600 overpayments, if they were sent back, were forgiven, and that was the last of it. Now I understand that if a veteran applies for a home loan or whatever, there is a record that shows he is in arrears and owes money to the Government.

Mr. Mask. When you say forgiven, that is not exactly right; no overt effort is made to collect it.

Mr. Hefner. And it was not a permanent part of his record?

Mr. Mask. Yes; it is.

Mr. Hefner. There was not a threat, but he still did get benefits and a loan, even though he still owed the $600?

Mr. Mask. Until recently he could get a home loan, because we had no way of cross-referencing it.

Mr. Hefner. Now you do?

Mr. Mask. Yes.

Mr. Hefner. Also we have said under this new legislation that the time limitation does not run out.

Mr. Mask. Are you saying statute of limitations?

Mr. Hefner. Right.

Mr. Mask. Bless your heart.

Mr. Hefner. I say this, and I want to make this point so I won't forget it because there have been people who have been critical of the hearings we have had.

We have made a real effort to try to tighten these programs up. We are not trying to persecute the veterans, but we feel that the veterans who are getting the loans, paying them back on time, and making the effort are doing a tremendous job, and we don't want to see those who are not doing that to reflect badly on the program.

We have had some criticism that our hearings were not effective, and we believe some of the things we have done have resulted in saving a tremendous amount of money for our veterans, and I wanted to make that point.

Mr. Mask. I would like to cite an example on that. There was a World War II veteran who had about a $1,700 overpayment, and there was no way of collecting it, but in about 1972 he applied for a pension. He called us because he didn't get a check. What he had forgotten was that he had that $1,700 that remained in the computer, and when they authorized a pension for him they held on to each one of those monthly payments until they had recouped the amount of his overpayment.

Mr. Hefner. They had some instances where people were applying for a loan for a $200,000 home and owed the Government $700 or $800.

Mr. Mask. We discussed the promissory note earlier, and I won't go into that unless you have some questions on it.

The 9-month termination, now we do send out notices prior to his termination date, and then prior to the maturity date we send out actually three letters, to remind him of the fact, another one asking for a repayment plan, and at that time if we have not received any response from him, we send one out after the maturity date. Within 30 days after that, we declare that one in default, so he has been notified on several occasions this is a loan and not a grant.

We notify him that he has five options for repayment. He can pay the full amount interest-free or he can spread it monthly, quarterly, semi-annually or annually over the next 10 years to pay it, and that is at either 7 or 8 percent.

As you have heard here before, our biggest problem is in locating the veteran. In most cases it is his school address that we have, and when he leaves school he knows he is going home, and he does not feel any need to tell the post office, I suppose, where he is going because his mail will go back home, and we don't have a satisfactory system of locating him.

Mr. Leath. May I interrupt?

Mr. Mask, that bothers me a little bit, that we say all we have is his school address. Does that mean on the information that we take on the student that is the only address we take? We don't ask them for their permanent home address?

Mr. Mask. That is my understanding.

Mr. Leath. Is that a determination that has been made by the VA?

Mr. Mask. That is the way the form is printed.

Mr. Leath. That is not anything statutory? Probably the determination was made in central office?

Mr. **Mask**. I would have to assume, I wouldn't think that that would be statutory.

Mr. **Leath**. I certainly think we need to reprint that form.

Mr. **Mask**. My personal opinion would be that I think not necessarily a home address but the name and address of the nearest relative not residing in his household on both the school application and on these educational loans.

Mr. **Leath**. Well, I would certainly hope, as we alluded to earlier, that the legislation that we recently passed will assist you.

As you say, I suffer from somewhat the same problem you do. After all these guys' questions, there are no questions left, and after you have had the regional director and some others preceding you, there is not much left.

Excuse me for interrupting, but in addition to the authority that was in the legislation that we passed yesterday where those things can be reported to credit rating bureaus, as a finance officer, would there be any other things that you would think that we in the Congress and in this subcommittee could particularly point out to the full committee next year that we might also give you the authority to do that would be helpful to you? I am not seeking for anything that would be a harassing thing for the veteran, but I just happen to believe that people all across this country believe that people should still stand up for their obligations.

As the chairman alluded to earlier, there are some that would say, well, a hearing like this is not a productive thing. I would totally disagree with that. One of the things that grated Bill Boner and myself a great deal, on numerous occasions we sat in back of the House Chamber and talked about it when some of our colleagues would stand up and say, "Oh, my colleagues, this is only a small program; it only involves $50 million."

Bill and I would look at each other, because in Texas and Tennessee that is a hell of a lot of money, and so we feel like any way or anything that we can do that we cannot only help the deserving veterans but also at the same time make our programs tight enough so we don't have abuse in them.

Is there anything else that we could do that would assist in this?

Mr. **Mask**. The Justice Department and, I suppose, the General Counsel of the VA worked out an arrangement where in the case of debts under $600, the district counsel would go into court and prosecute for collection.

Mr. **Leath**. I am speaking more in terms of location now than I am of collection procedures.

Mr. **Mask**. In location now——

Mr. **Leath**. In other words, if we found out at least one and possibly two significant addresses in addition to the student's school address as we go into the program.

Mr. **Mask**. I would like to have a next of kin on the form, but also I would like to have the ability to go either to the Social Security or IRS and get the current address.

Mr. **Leath**. Would this, and there again that may be out of your purview, would it be a fairly simple and fairly inexpensive thing with the computers that we have to do cross-checking with these other services?

Mr. **Mask**. I would have to speak from ignorance, but I would have to think that we could do that with the computers and not involve a large increase in the Federal assistance.

Mr. **Leath**. Probably involve the sending of the tape, to show your $13,000, $14,000 overpayments and your x number of defaults on loans to the agency and let them just do a cross-check?

Mr. **Mask**. Probably.

Mr. **Leath**. Thank you, and I apologize for interrupting.

Mr. **Mask**. We have pretty well covered mine.

Mr. **Hefner**. Mr. Mask, I think that this is kind of unprecedented.

We usually give a witness a chance to finish, but the people who preceded you kind of preempted you. On this new legislation we passed, there is a provision that authorizes the VA to use its own attorneys, subject to the Department of Justice, to seek collection of the bad debts owed the VA in court. We had some of our colleagues on the Judiciary Committee disagree with this.

Mr. **Mask**. Without any limit?

Mr. **Hefner**. The way I understand it, as long as it is subject to the Department of Justice, there would be no limitation. That is the way I understand it.

Mr. **Mask**. That would cover the bulk of it. I would like to bring to your attention just one thing. I guess it is the last exhibit in here.

When we started to cross-reference the home loan applications, due to the overpayments, and as I said we could only do this after the Target equipment was in place and in operation, we collected 46 percent of those discovered by deferring approval of the application until such time as they made arrangements for repayment.

Mr. **Hefner**. Thank you, Mr. Mask.

I would like to change the procedure just briefly since Mr. Leath alluded to the fact he is always last. I would like to limit the members to 3 minutes until everyone has had one chance.

I would yield 3 minutes to the gentleman from Tennessee, Mr. Boner, if he has questions.

Mr. **Boner**. You made reference to the collection of the letters that are sent. If they are returned to St. Paul because a veteran didn't leave a forwarding address, what happens?

Mr. **Mask**. St. Paul retains a letter up there. If we send it out and it comes back, it is filed in the folder. There is not much that——

Mr. **Boner**. It is put in the computer and the next time the veteran were to enroll in school?

Mr. **Mask**. The amount is already in the computer at the time he or she terminates, and say he or she has been paid through September 1 and we find out he or she terminated July 15, when that gets into the computer it sends a letter to the last home address telling him or her what his or her overpayment is.

Mr. **Boner**. Once his or her name, we have women veterans, too, but once his or her name is put into that computer, any time that individual is to receive any benefit does the computer always cross-reference debts owed, obligations owed when this occurs?

Mr. **Mask**. No, sir. We have in effect two programs in the computer, the compensation and the education.

Now, they are not interchangeable. Periodically, Hines—to use *an in-house term since the computer is located in Chicago*—will run a cross-check and send us a listing of those drawing compensation and pensions who have education overpayments or vice versa.

Then at that time we set up a deduction withholding either all or a portion of their compensation or pension to apply to the education overpayment. Currently, we are withholding or deducting from 293 veterans for a total of over $14,000 a month from their compensation or pension to apply to the educational overpayment.

Mr. BONER. I would say that that obviously is an area that we need to look into.

Mr. HEFNER. The gentleman from Texas, Mr. Hall.

Mr. HALL. You mentioned a moment ago that there were 18,715 uncollectable debts referred back, overpayments less than $600; that covers what span of time?

Mr. MASK. From 1966 to date. That is everything that we have on the books.

Mr. HALL. The $1.7 million that Mr. Bielak mentioned on the bottom of the first page of his testimony——

Mr. MASK. Yes.

Mr. HALL [continuing]. Speaking of the $1.7 million overpaid represented 2.8 percent of the total benefits paid, so $1.8 million occurred in fiscal year 1980 in Tennessee?

Mr. MASK. Yes.

Mr. HALL. And $5 million has occurred since 1966 under $600?

Mr. MASK. Well, the $1.7 million may be more or less than $600.

Mr. HALL. What is the $1.7 million?

Mr. MASK. That is the total amount of the overpayments.

Mr. HALL. Under and over $600?

Mr. MASK. Yes, sir.

Mr. HALL. Your $5 million figure is under $600 since 1966?

Mr. MASK. If you would like the grand total for the program, it is $6,847,303.

Mr. HALL. That $6 million figure is the total sum?

Mr. MASK. It includes everything.

Mr. HALL. That is the total of 21,000 plus overpayments?

Mr. MASK. Yes, 21,302.

Mr. HALL. It is obvious that the largest portion of this $6 million is for amounts under $600?

Mr. MASK. Yes; the bulk of the overpayments are under the $600 figure, both in number of overpayments as well as the money involved. The average overpayment for those under $600 would run about $270.

Mr. HALL. Of course, I realize you reach a point of no return from an economic standpoint. It does appear when you have $5 million on the books that is a substantial sum of money.

Mr. MASK. I do think that a letter from the attorney for the VA, whether it is district counsel or general counsel or whatever, would carry more weight than a letter from the finance officer. That is why I am anxious that the pilot program that the VA has in operation now expand to include Nashville.

Mr. HALL. Don't you think that it would be much more impressive to the debtor if that letter came from the Department of Justice?

Mr. Mask. It might be, but just from the magnitude of it, and as I understand it, the personnel limitations of the various U.S. attorneys, as mentioned, gets to a point of diminishing returns and whether they could cope with that quantity.

Can you suggest a better way to collect this $5 million than what we have come up with in the Congress?

Mr. Mask. No, sir; not according to what you just told me passed in the Congress yesterday.

Mr. Hall. The bill that passed yesterday authorizes the VA to use its own attorneys, subject to the Department of Justice, to seek collection of bad debts owed to the VA in the court.

Mr. Mask. No, sir; I have no quarrel with that. I am delighted.

Mr. Hefner. The gentleman from Texas, Mr. Leath.

Mr. Leath. Mr. Mask, on page 3 of your statement you pointed out that 518 loans are in default, and you also stated that there were 833 matured loans.

Mr. Mask. Right.

Mr. Leath. Does this mean that we have 315 loans that have either been paid in full or payment is occurring?

Mr. Mask. That is correct.

Mr. Leath. No further questions, Mr. Chairman.

Mr. Hefner. Thank you, Mr. Mask, for your excellent testimony.

Mr. Mask. Thank you, sir.

[Mr. Mask's statement follows:]

STATEMENT OF JOHN C. MASK, FINANCE OFFICER, VETERANS ADMINISTRATION REGIONAL OFFICE, NASHVILLE, TENNESSEE

Mr. Chairman and gentlemen! I very much appreciate this opportunity to inform this Subcommittee of the House Veterans Affair Committee regarding our procedures for collecting education allowance overpayments and the administering of the Education Loan Program. I have prepared a brief statement which I would like to submit to you for the record, and with your permission to read from this statement.

Mr. Chairman, when an education allowance overpayment is created, it will take one of two directions: If the student remains in training, the overpayment is deducted from future payments until it is recovered. However, if it is caused by the student terminating his/her training, the overpayment becomes the responsibility of the Centralized Accounts Receivable Division (CARD), located at the VA Center in St. Paul, Minnesota. CARD will attempt to collect the overpayment through a series of collection letters. Of those receivables that CARD is unable to collect, overpayments of $600.00 and greater are forwarded to the appropriate office of the U.S. Attorney for collection. Those less than $600.00 are declared uncollectible and are returned to the Regional Office.

Presently, for training allowances paid by this Regional Office, we have 21,302 overpayments totaling $6,847,303.64. This includes training under Chapters 31, 34, and 35 of Title 38 U.S.C. (Exhibit A). Chapter 34 overpayments account for 97% of the total. Although these debts have been accumulating since the inception of the program in 1966, they amount to 10.25% of the total paid ($66,774,044.00) through these programs during Fiscal Year 1979.

Although we do not actively pursue collections on those that have been declared uncollectible, the debt remains in the computer. In this way when the veteran applies for and is awarded a VA education benefit, the full amount of the debt is deducted before any payments are made. Compensation and pension benefits are periodically cross-checked so that the debt can be withheld.

Mr. Chairman, if I may, I would like to turn now to the Educational Loan Program and give you a brief explanation of the Finance Division's procedure for making the Educational Loan.

When the signed Promissory Note (Exhibit B) is received by our Division, it is compared to the loan application (Exhibit C) to insure that the amount being paid agrees with the amount requested and approved by the Authorizer in the Adjudication Division.

It is then reviewed against the veteran's claim folder to see if he/she has reduced or terminated training subsequent to being approved.

We next check our loans already made to determine, first, that he/she does not have a loan that is already in default, and secondly, to see that if he has already received a loan; that the one being processed will not exceed the statutory limit of $2,500.00 per regular academic year (Exhibit D).

If any of the above conditions are unsatisfactory, the application and the claim folder are returned to the Adjudication Division for review. If all of the conditions are satisfactory, we then process the loan for payment. We do withhold from payment a 3% fee to provide a fund to offset defaults.

Mr. Chairman, as of June 30, 1980, we have made 1,232 loans, totaling $1,281,835.45 (Exhibit E, col. 1-4). Of the 833 matured loans, totaling $909,392.82, 518 totaling $525,059.00 are in default. This represents a 62.2% default rate (Exhibit E, col. 9-16).

As you are aware, the requirements to obtain an educational loan were tightened, effective August 1, 1978. Through June 30, 1978 (3-1/2 years) we have made 952 loans, totaling $1,101,923.60. Since that date, through June 30, 1980 (2 years) we have made only 280 loans, totaling $179,911.85. We feel that the new regulations more nearly comply with the intent of Congress and, hopefully, will reduce the high default rate. This means that our average annual approval rate has been reduced by 71%.

Mr. Chairman, I would like to briefly explain our collection procedures when the loan matures. The loan matures nine months after the student terminates training, or reduces his training to less than half-time. At this time, a VA Form 4-432a (Exhibit F) is mailed to the veteran telling him when the repayment will be due and to keep us informed of his current mailing address and any re-entrance plans. Three and a half months following termination, we send VA Form 432b (Exhibit G) requesting the same information as previously requested. Mr. Chairman, forty-five days prior to the end of the nine month grace period, we send VA Form 4-322 (Exhibit H) requesting that he submit a repayment plan.

Mr. Chairman, the veteran has five payment options, so that he can choose the one best suited to his situation. He may pay the loan in

(1) One lump sum (interest free)
(2) Monthly
(3) Quarterly
(4) Semi-annually or
(5) Annual Payment

These payments may be spread over ten years with an interest rate of 8% on loans made prior to October 1, 1976, or 7% on loans made after that date.

If we have not received a reply to VA Form 4-322 (Exhibit I), a second one stamped "Second Request" is mailed to the veteran. If we do not receive a reply within thirty days following the due date, the loan is declared in default and becomes due and payable immediately. At that time, we check for any other benefits the veteran might be receiving. If he is receiving compensation or pension, we establish a deduction to offset the defaulted loan.

Mr. Chairman, our most aggravating problem is locating the veteran once he has left school. In most cases, he does not furnish a forwarding address to the Post Office when he moves. Only when we have a correct address is the credit bureau able to supply us with any income information. What we desperately need is to be able to use the veteran's Social Security number in obtaining his current address.

Mr. Chairman, up until this point my testimony has been rather bleak. However, there are some encouraging changes taking place.

The success that we have had in deferring approval of home loan applications has given us leverage in collecting debts that did not exist before. Mr. Chairman, the procedure for that method is as follows: All applications that are determined to be Vietnam era veterans are referred by the Loan Guaranty Division to us for comparison with overpayment and loan default information in the computer. When a debt is found, Loan Guaranty defers approval until we inform them that the debt has been paid, or the veteran has made arrangements to pay the debt over a period of time, usually one year or less. We have collected, in full, 46.23% of the debts of the discovered (Exhibit J). The others failed to follow through with their home loan request.

Mr. Chairman this concludes my testimony on education and education loan overpayments. I will be happy to respond to any questions you have at this time.

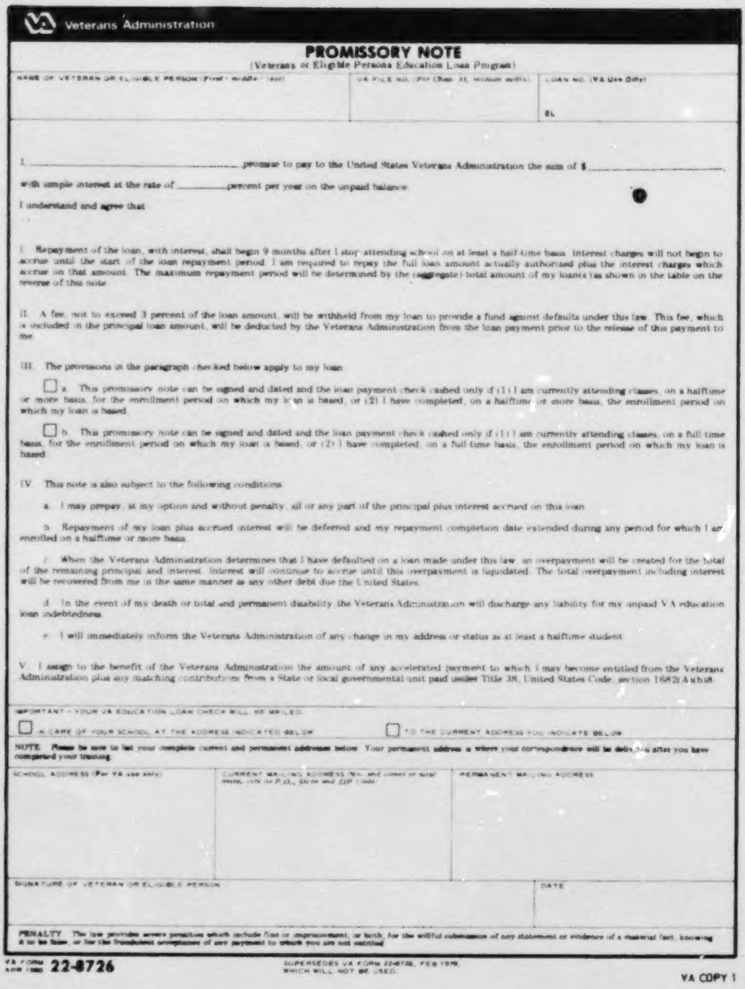
EXHIBIT A

EDUCATION OVERPAYMENTS BY PROGRAM

JUNE 1980

EDUCATION PROGRAM	NO. OVERPAYMENTS	OVERPAYMENT BALANCE	AVERAGE OVERPAYMENT
Chapter 34 - Pursuing collection	307	$ 123,014.30	$ 400.69
" " Uncollectible to GAO/U.S. Attorney	1,504	1,237,411.37	822.75
" " Uncollectible returned to R.O.	18,715	5,279,024.98	282.07
TOTAL, Chapter 34	20,526	$6,639,450.65	$323.47
Chapter 35 - Pursuing collection	19	6,470.19	340.53
" " Uncollectible to GAO/U.S. Attorney	26	15,250.84	586.57
" " Uncollectible returned to R.O.	673	166,591.34	247.53
TOTAL, Chapter 35	718	$ 188,312.37	$262.27
Chapter 31 - Pursuing collection	58	19,540.62	336.91
[illegible]	21,302	$6,847.303.64	$321.44

EXHIBIT B



Veterans Administration

PROMISSORY NOTE

(Veterans or Eligible Persons Education Loan Program)

NAME OF VETERAN OR ELIGIBLE PERSON (First - middle - last)	VA FILE NO. (For Chap. 35, include suffix)	LOAN NO. (VA Use Only) EL

I, ______________________ promise to pay to the United States Veterans Administration the sum of $ ______________,
with simple interest at the rate of ________ percent per year on the unpaid balance.

I understand and agree that:

I. Repayment of the loan, with interest, shall begin 9 months after I stop attending school on at least a half time basis. Interest charges will not begin to accrue until the start of the loan repayment period. I am required to repay the full loan amount actually authorized plus the interest charges which accrue on that amount. The maximum repayment period will be determined by the (aggregate) total amount of my loan(s) (as shown in the table on the reverse of this note).

II. A fee, not to exceed 3 percent of the loan amount, will be withheld from my loan to provide a fund against defaults under this law. This fee, which is included in the principal loan amount, will be deducted by the Veterans Administration from the loan payment prior to the release of this payment to me.

III. The provisions in the paragraph checked below apply to my loan:

☐ a. This promissory note can be signed and dated and the loan payment check cashed only if (1) I am currently attending classes, on a halftime or more basis, for the enrollment period on which my loan is based, or (2) I have completed, on a halftime or more basis, the enrollment period on which my loan is based.

☐ b. This promissory note can be signed and dated and the loan payment check cashed only if (1) I am currently attending classes, on a full time basis, for the enrollment period on which my loan is based, or (2) I have completed, on a full time basis, the enrollment period on which my loan is based.

IV. This note is also subject to the following conditions:

a. I may prepay, at my option and without penalty, all or any part of the principal plus interest accrued on this loan.

b. Repayment of my loan plus accrued interest will be deferred and my repayment completion date extended during any period for which I am enrolled on a halftime or more basis.

c. When the Veterans Administration determines that I have defaulted on a loan made under this law, an overpayment will be created for the total of the remaining principal and interest. Interest will continue to accrue until this overpayment is liquidated. The total overpayment including interest will be recovered from me in the same manner as any other debt due the United States.

d. In the event of my death or total and permanent disability the Veterans Administration will discharge any liability for my unpaid VA education loan indebtedness.

e. I will immediately inform the Veterans Administration of any change in my address or status as at least a halftime student.

V. I assign to the benefit of the Veterans Administration the amount of any accelerated payment to which I may become entitled from the Veterans Administration plus any matching contributions from a State or local governmental unit paid under Title 38, United States Code, section 1682(A)(b)(8).

IMPORTANT - YOUR VA EDUCATION LOAN CHECK WILL BE MAILED:

☐ IN CARE OF YOUR SCHOOL AT THE ADDRESS INDICATED BELOW ☐ TO THE CURRENT ADDRESS YOU INDICATE BELOW

NOTE: Please be sure to list your complete current and permanent addresses below. Your permanent address is where your correspondence will be delivered after you have completed your training.

SCHOOL ADDRESS (For VA use only)	CURRENT MAILING ADDRESS (No. and street or rural route, city or P.O., State and ZIP Code)	PERMANENT MAILING ADDRESS

SIGNATURE OF VETERAN OR ELIGIBLE PERSON	DATE

PENALTY: The law provides severe penalties which include fine or imprisonment, or both, for the willful submission of any statement or evidence of a material fact, knowing it to be false, or for the fraudulent acceptance of any payment to which you are not entitled.

VA FORM APR 1980 **22-8726**

SUPERSEDES VA FORM 22-8726, FEB 1979, WHICH WILL NOT BE USED.

VA COPY 1

REPAYMENT SCHEDULE

AMOUNT OF TOTAL LOAN(S)	MAXIMUM PERIOD FOR REPAYMENT	PAYMENTS MAY BE MADE			
		MONTHLY	QUARTERLY	SEMI-ANNUALLY	ANNUALLY
LESS THAN $600	10 MONTHS FOR THE FIRST $50 OF THE LOAN PLUS 1 MONTH FOR EACH ADDITIONAL $5 OF THE TOTAL LOAN.		X	X	X
$600 TO $949	10 YEARS		X	X	X
$950 OR MORE	10 YEARS	X	X	X	X

NOTE: Prepayment of all or part of the loan(s) may be made at any time without penalty.

EXHIBIT C

INFORMATION AND INSTRUCTIONS FOR APPLICATION FOR EDUCATION LOAN

1. **PRIVACY ACT INFORMATION:** No benefits may be paid unless a completed application form has been received (38 U.S.C. 1798). The information requested on this form is necessary to determine your entitlement to a VA education loan. The responses which you submit may be disclosed outside the Veterans Administration as permitted by law.

2. GENERAL INFORMATION

A. **Eligibility.** To qualify for an education loan you must be:

(1) receiving G.I. Bill benefits (under Chapters 32, 34 or 35, Title 38, U.S.C.), *and*
(2) attending school on at least a half-time basis, *and*
(3) enrolled in one of the following types of courses:
(A) A course leading to a standard college degree; *or*,
(B) A course leading to a professional or vocational objective which requires at least six months of full-time training for completion; *or*
(C) A course leading to a professional or vocational objective that requires less than six months for completion but which has been granted a waiver of this (six month) requirement by the VA.

IMPORTANT. (Veterans, spouses and surviving spouses only) Education loans may be granted even if your 10-year period of eligibility to G.I. Bill benefits (delimiting date) has expired. To qualify you must have been receiving G.I. Bill benefits on a full-time basis when this period expired. A loan or loans may be granted after your delimiting date for full-time enrollments only and will be based on any unused entitlement (remaining months of benefits) which you have left at that time. If you meet these requirements your eligibility for loans may be extended to the earliest of the following three dates:

(1) Two years after your delimiting date (NOTE: If your delimiting date was prior to November 23, 1977, you have until November 23, 1979 under this provision); or,
(2) The date your remaining months of G.I. Bill loan entitlement are used up (entitlement is reduced one month for each $311 borrowed); or
(3) The date your program of education is completed or terminated.

You would not be entitled to any additional loans if you change your program of education after your delimiting date has passed.

B. **Restrictions.** NO LOAN WILL BE MADE IF:

(1) You are attending school outside of the United States, its territories and possessions, the Commonwealth of Puerto Rico or the Canal Zone.
(2) You have an outstanding overpayment in your VA education account. You may reapply for a loan once the overpayment has been cleared. However, a loan may not be made for the enrollment period indicated in Item 9 unless the overpayment has been cleared prior to the end of such enrollment period.
(3) You are pursuing any of the following types of training: Correspondence, flight, apprenticeship, on-the-job, or PREP training.

C. **Loan Amount.** Your loan will be based on the amount by which your educational expenses exceed your income. The minimum amount which can be granted is $50. All loans are also subject to the following limitations:

(1) A loan cannot be granted in an amount to exceed $311 multiplied by your months of G.I. Bill entitlement remaining as of the beginning date of the loan period. (Chapter 34 and 35 participants only.)

(2) If you are a participant in the "Post-Vietnam Era Veterans Educational Assistance Program" (Chapter 32), you cannot receive a loan in excess of the amount remaining in your education fund (including VA & Dept. of Defense contributions) as of the beginning date of the loan period.
(3) The maximum loan which can be granted is also limited by the length of your enrollment period. The maximum enrollment period to which a loan may apply is a semester, two quarters, a summer session (8 or more weeks), or 6 months for a course not operating on a term basis. A separate application is required for each period.

(A) Courses Organized on a Term Basis

Period of Enrollment (Items 9A-9D)	Maximum Loan
Semester	$1250
Quarter	830
Two Consecutive Quarters*	1660
Summer Session**	830

*"Two Consecutive Quarters" means fall-winter, winter-spring, or spring-summer.

**"Summer Session" means a designated summer enrollment period of at least 8 weeks duration.

(B) Courses not Organized on a Term Basis

Length of Loan Period (Item 9F)	Maximum Loan Amount
3 through 5 months	$270 per month of enrollment
6 months	1660

D. **Application Period.** You should submit your application as soon as possible but not more than 30 days before the start of classes. An application will not be accepted later than the end of the period for which the loan is requested.

E. **Loan Payment.** If you are granted a loan, it can be paid only after your school has verified your attendance. A fee (not to exceed 3 percent) will be withheld from your loan payment in order to provide a fund to insure against repayment defaults under this law (e.g., if a loan of $200 is approved, you will actually receive $194).

F. **Loan Repayment.** You must begin to repay your loan 9 months after you stop attending school on a halftime or more basis. You may repay in installments over the next 10 years and 9 months after the date you stop attending school on a halftime or more basis or you may prepay all or part of the loan amount, at any time, without penalty. Repayment is deferred if you reenroll on a halftime or more basis.

G. **Accelerated Payments.** You may be eligible to *repay* part of your VA education loans (granted after January 1, 1978) through the use of accelerated payments. This program permits those persons who have successfully completed their program of education to use their remaining entitlement to cancel a portion of their loan indebtedness. These accelerated payments are not payable to you but are instead assigned to the VA to reduce your outstanding loan balance. In addition, accelerated payments can be made *only* if your state or local Government repays the VA a portion of the loan. To find out if your state or local government has such an assistance program and to obtain applications contact your school financial aid officer, "Vet Rep on Campus," or the Veterans Services Division of the VA Regional Office in your area.

3. COMPLETING THE APPLICATION (STUDENT)

A. Part I. Please provide complete information. Eligible persons receiving Dependents Educational Assistance must provide their full VA file number, including letter suffix, in Item 3.

Item 6 - Enter the name and address of your nearest living relative who does *not* reside in your household. If none, enter the name of your nearest relative residing with you.

Item 7 - Enter the telephone numbers, including area codes, of your current and permanent address and of your nearest living relative.

Item 9 - It is important to indicate the period for which you are requesting the loan since this governs the amount of income to be counted and the maximum loan amount.

B. Part II - Resources

Items 10A - 10F - List all other loans, grants, scholarships, etc., which you have applied for, even if you have not yet been notified of their approval or denial. If you have filed an application for these other benefits and a decision has not yet been made on your claim, enter the word "Pending" in the column entitled "Date Notified." Be sure to indicate the amount requested in the appropriate column.

Item 12A - Include regular G.I. Bill or Dependents Educational Assistance allowance for yourself only.

Item 12B - Include VA work-study benefits.

Item 13A - List current year adjusted gross income (wages, salary, dividends, interest, rental, business, etc.) for yourself only, less the following deductions:

(1) Authorized deductions for exemptions (currently $750 per exemption);
(2) Itemized or standard deduction, whichever is greater (however, the standard deduction which may be deducted for this purpose shall be $2200 for a single veteran, $3200 for a married veteran filing a joint return if the spouse has no income, $1600 for a married veteran filing a joint return if the spouse has income, $3200 for a surviving spouse with a dependent child, or $1600 for a married person filing a separate return), and
(3) Mandatory withholdings such as Federal and State income taxes, social security, and other mandatory deductions.

Item 13B - List current year nontaxable income for yourself only. This includes income from sources such as VA compensation and pension, disability retirement, unemployment compensation, welfare payments, social security benefits, etc.

C. Part III - Costs and Enrollment Data

Item 14 - Report only those expenses which you will incur during the period listed in Item 9. Only those expenses which are reasonably related to your school attendance may be shown.

Item 14C - Complete this item only if you are not paying room and board charges to the school. If living arrangements are shared with others (including spouse or other dependents), enter only your prorated share. This item is limited to expenses for rent, food and utilities. (Utilities may include electricity, gas (or fuel oil), water, sewage and trash collection.)

Item 14D - If you are not living on campus, complete this item to show your actual costs of commuting from your residence to the school. These costs should be your estimated commuting costs for the enrollment period shown in Item 9. (This item cannot exceed 12 cents per mile for each day of classes.)

Item 14E - Itemize all other expenses related to your school attendance, such as typing of research papers.

4. COMPLETING THE APPLICATION (SCHOOL)

The school will complete Part III, Items 15A through 15F. It will also be responsible for reviewing the reasonableness of the student's entries in Items 10 and 14. If the school feels that certain items listed by the student are not accurate or reasonable, the school must list the item numbers as exceptions in Item 15G, "Remarks." For example, if the student lists $200 for books and the school feels that $75 would be reasonable, the school should indicate in remarks: "Exception to Item 14A - $75."

Item 15C - Certify the actual pursuit of the course only for the loan period shown in Item 9 (e.g., one semester, quarter, etc.)

Item 15E - If the student lives on campus or otherwise pays room and board charges to the school, report such charges only for the period shown in Item 9. If the student lives off campus, list the average charges for room and board which will be charged to students living on campus for the enrollment period shown in Item 9. If the school does not provide room and board, list the room and board charges (if known) at the nearest State university or State college and the name of the State school selected.

Item 15F - If the school agrees to receive the VA educational loan and deliver the payment to the applicant, check the box marked "yes"; if a loan is awarded, the payment will be sent to the student in care of the institution. If this institution does not agree to receive and deliver the loan payment, check "no" and the payment will be sent directly to the student's current mailing address.

5. PROMISSORY NOTE (STUDENT)

You will be notified of the decision made on your VA loan request. If a loan is approved, a promissory note will be sent to you showing the loan amount approved, the interest terms (currently 7%) and repayment provisions. You must sign and return this note to the VA before the loan payment may be released.

6. PAYMENT OF LOAN TO APPLICANT - If your school agrees to receive the VA education loan payment (see Item 15F on application) the check will be sent to you in care of the school. Accompanying the check will be a VA Form 4-5220a, Certification of Delivery of Education Loan Payment. This form will serve to verify to the VA that you received your education loan check. After both you and the appropriate school official have signed and dated the form it will be forwarded to the VA, by the school, for processing. If your school does not agree to receive and deliver the education loan payment to you, the loan check will be sent directly to your current mailing address. A VA Form 4-5220a will not be included with checks sent to your current mailing address.

IMPORTANT: For assistance or information contact your "Vet Rep On Campus" if one has been assigned to your school, or the Veterans Services Division of the Veterans Administration Regional Office for your area. (Consult the local telephone book for the number or check with your Veterans Affairs Office on the campus.)

Form Approved
OMB No. 76-R0660

VETERANS ADMINISTRATION

APPLICATION FOR EDUCATION LOAN

(For Veterans and eligible persons enrolled under Chap. 32, 34 or 35, Title 38, U.S.C.)

IMPORTANT: Before completing this form, please carefully read the attached instruction sheet. Type or print answers in ink. If additional space is necessary, attach separate sheets and key answers to item numbers.

PART I - IDENTIFICATION DATA

1. NAME OF APPLICANT *(First, middle, last)*	2. SOCIAL SECURITY NUMBER	3. VA FILE NO. *(For Chap. 35, include suffix)*
4. CURRENT MAILING ADDRESS *(No. and Street or Rural Route, Apt. No., City or P.O. Box, State and ZIP Code)*	5. PERMANENT MAILING ADDRESS *(No. and Street or Rural Route, Apt. No., City or P.O. Box, State and ZIP Code)*	

6. NAME AND ADDRESS OF NEXT OF KIN *(See Instruction 3A)*	7. TELEPHONE NUMBERS *(Include Area Codes)*		
	A. CURRENT	B. PERMANENT	C. NEXT OF KIN
	8. VA OFFICE WHERE RECORDS ARE LOCATED		

9. PERIOD TO WHICH REQUESTED LOAN WILL APPLY

☐ A. SEMESTER
☐ B. QUARTER
☐ C. TWO CONSECUTIVE QUARTERS
☐ D. SUMMER SESSION
☐ E. COURSE NOT ORGANIZED ON TERM BASIS *(Not to exceed 6 months)*

F. LENGTH OF COURSE *(Complete only if Item 9e is checked)* MONTHS

PART II - RESOURCES

DESCRIPTION	AMOUNT REQUESTED	DATE NOTIFIED	AMOUNT APPROVED
10A. GUARANTEED STUDENT LOAN	$		$
10B. NATIONAL DIRECT STUDENT LOAN			
10C. BASIC EDUCATION OPPORTUNITY GRANT			
10D. SUPPLEMENTAL EDUCATION OPPORTUNITY GRANT			
10E. COLLEGE WORK STUDY			
10F. OTHER GRANTS, FELLOWSHIPS, SCHOLARSHIPS AND LOANS			
10G. FAMILY AND/OR SPOUSE'S CASH CONTRIBUTIONS TOWARD EDUCATION AND LIVING EXPENSES			$
10H. TOTAL *(Items 10A through 10G)*			$

11. CASH ASSETS *(On hand at time of application)*	
NOTE: Do not report amounts included in Item 10H.	
A. CASH ON HAND	$
B. CHECKING ACCOUNT	
C. SAVINGS ACCOUNT	
D. OTHER *(Specify)*	
E. TOTAL	$

12A. TOTAL VA EDUCATIONAL ASSISTANCE TO BE RECEIVED DURING PERIOD TO WHICH LOAN WILL APPLY, FOR SELF ONLY $	12B. TOTAL VA WORK-STUDY ALLOWANCE TO BE RECEIVED DURING PERIOD TO WHICH LOAN WILL APPLY $
13A. ESTIMATED CURRENT YEAR NET AVAILABLE TAXABLE INCOME FOR SELF ONLY *(See Instruction 1B)* $	13B. ESTIMATED CURRENT YEAR NON-TAXABLE INCOME FOR SELF ONLY *(See Instruction 1B)* $

PART III - COSTS AND ENROLLMENT DATA

14. RELATED EDUCATIONAL EXPENSES *(To be completed by STUDENT and reviewed by SCHOOL.)*
(This item is to include only those expenses which will be incurred during period to which loan will apply.)

A. BOOKS	$	D. COMMUTING EXPENSES *(Check one)* ☐ PUBLIC TRANSPORTATION *(Actual)* ☐ PRIVATE CONVEYANCE *(Miles per day X .12¢ X number of days in enrollment period in Item 9)*	
B. SUPPLIES			
C. NON-INSTITUTIONAL ROOM AND BOARD, SELF ONLY *(Enter actual cost or room and board charges at school, whichever is less)*		E. OTHER SCHOOL RELATED EXPENSES *(Itemize, use separate sheet if necessary)*	
		F. TOTAL	$

VA FORM MAY 1976 **22-8725**

SUPERSEDES VA FORM 22-8725, FEB 1976 WHICH WILL NOT BE USED.

15. INSTITUTIONAL CHARGES AND ENROLLMENT DATA *(To be completed by SCHOOL)*

A. NAME OF EDUCATIONAL OR VOCATIONAL OBJECTIVE FOR WHICH CURRENTLY ENROLLED	B. EXPECTED DATE OF GRADUATION

C. ENROLLMENT - EFFECTIVE DATES OF LOAN PERIOD *(See Item 9)*		D. NUMBER OF HOURS		E. CHARGES FOR PERIOD OF INSTRUCTION		
SCHOOL OPERATING ON TERM BASIS - Enter beginning and ending dates of semester, quarter or term for which enrolling *OTHER SCHOOL - Enter first and last date of scheduled attendance.*		*Enter credit hour load or clock hours of attendance per week for each period of enrollment.*		*Enter total charges for enrollment period shown in Item 15c.* *(Do Not include cost of books and supplies under fees.)*		
BEGINNING	ENDING	CREDIT	CLOCK	TUITION	FEES	RM. AND BOARD (See Instruction 4)

F. DOES THIS INSTITUTION AGREE TO RECEIVE THE VA EDUCATION LOAN PAYMENT AND DELIVER THIS PAYMENT TO THE APPLICANT?

☐ YES ☐ NO *(IF "YES," ALL ITEMS IN PART IV UNDER THE HEADING "SCHOOL CERTIFICATION" MUST BE CERTIFIED TO. IF "NO," ONLY CERTIFICATIONS (1), (2) AND (3) WILL APPLY TO YOUR INSTITUTION.)*

G. REMARKS

PART IV - CERTIFICATIONS

SCHOOL CERTIFICATION: (1) Facts stated above by this institution are true and correct; (2) Facts stated by student in Part II, Item 10, and Part III, Item 14, have been reviewed and appear accurate and reasonable (those items which do not appear to be accurate or reasonable are shown in Item 15G, "Remarks"); (3) This institution agrees to report promptly to the VA any enrollment changes made in the student's institutional records which would affect his or her educational loan. NOTE: Certifications (4), (5) and (6) apply only to those institutions participating in the VA educational loan program; (4) This institution agrees to receive loan payments under section 1798(f) (2), title 38, U.S.C., and agrees to deliver such payments to the eligible student as soon as practicable after their receipt; (5) This institution agrees to complete and return to the VA, the VA Form 4-5220a, Certification of Delivery of Education Loan Payment, which is enclosed with the check, within 30 days of delivery of the check to the eligible student; (6) If the check cannot be delivered because the eligible student withdraws from training, this institution agrees to return the unopened envelope containing the check to the Treasury, as soon as possible, and no more than 30 days after the changes in student status.

16. DATE SIGNED	17. SIGNATURE AND TITLE OF CERTIFYING OFFICIAL	18. NAME AND ADDRESS OF SCHOOL

STUDENT CERTIFICATION: I request a loan in the amount of $____________________ and I hereby certify that: (1) Facts which I have stated in Parts I, II and III above are true and correct to the best of my knowledge and belief; (2) This loan will be used only for educational purposes during the period to which this application applies; (3) I understand that a fee of 3 percent of the approved loan amount will be deducted to insure against default on loans made under this law; (4) I hereby assign to the benefit of the Veterans Administration the amount of any accelerated payment to which I may become entitled from the VA and any matching contribution from a State or local governmental unit paid under section 1682A(b) (8), title 38, U.S.C.; (5) I understand that the law provides severe penalties which include fine or imprisonment, or both, for the willful submission of any statement or evidence of a material fact, knowing it to be false, or for the fraudulent acceptance of any payment to which I am not entitled.

19. SIGNATURE OF STUDENT	20. DATE

CAUTION - WILLFULLY FALSE STATEMENTS CONCERNING MATTERS IN ANY DOCUMENT REQUIRED BY THIS LAW MAY SUBJECT THE PERSON TO FINE OR IMPRISONMENT OR BOTH

FOR VA USE ONLY

ACTION TAKEN		APPROVED	AMOUNT $ 00	SCHOOL FACILITY NUMBER	PAYMENT DATA LOAN NUMBER EL
			AMOUNT $ 00	SCHOOL FACILITY NUMBER	SCHEDULE NUMBER
		DISALLOWED (Give Reason)			PAYMENT DATE

ADJUDICATOR	DATE	AUTHORIZER	DATE	RO NO.

☆U.S. Government Printing Office: 1979—281-103/1023

LAST NAME, FIRST NAME, MIDDLE INITIAL OF BORROWER	ADDRESS OF BORROWER **EXHIBIT D**	VA CLAIM FILE NO. SOCIAL SECURITY NO.

NAME OF EDUCATION INSTITUTION	SCHOOL FACILITY CODE NO.	EXPECTED DATE OF GRADUATION

LOAN NUMBER	DATE	AMOUNT	INTEREST RATE	PAY SCHEDULE NO.	FIRST REPAY DUE DATE	DATE NOTIFIED REPAY DATE	REPAY METHOD	
							PERIOD	AMOUNT
		$						$
		$						$

REPAYMENT DATA			INTEREST		PRINCIPAL		BALANCE DUE
DATE	RECEIPT NO.	DESCRIPTION	CHARGE	CREDIT	CHARGE	CREDIT	
							$

VA FORM JAN 1975 4-5220 530907 **VETERAN'S EDUCATION LOAN ACCOUNT CARD**

REPAYMENT DATA			INTEREST		PRINCIPAL		BALANCE DUE
DATE	RECEIPT NO.	DESCRIPTION	CHARGE	CREDIT	CHARGE	CREDIT	
							$
							$

PAGE 1 of 10 EXHIBIT E

VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

STATION 3020

PERIOD ENDING 6-30-80

FACILITY CODE	PAID				IN		TRANSFER OUT		DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	CURRENT QUARTER		PROGRAM TO DATE		PROGRAM		TO	DATE	CURRENT QTR		PROGRAM TO DATE		CURRENT QTR.		PROGRAM TO DATE		CURRENT QTR		PROGRAM TO DATE	
11000242									1	1,030.00	2	1,030.00								
11000442							3	5450.00												
11000542			43	30,940.00			2	1470.00	1	730.00	22	16,057.00			32	21,781.00			1	520.00
11000642							1	640.00	5	5,780.00	5	5,780.00	6	6,830.00	6	6,830.00				
11002742	1	630.00	131	155,700.00	3	4800.00	22	24681.99	13	13,293.00	61	54,713.79	4	6,205.00	91	89,223.00	1	800.00	3	2,200.00
11002842			4	5,385.00					1	950.00	1	950.00			2	4,225.00				
11802042	1	540.00	67	57,034.00	1	660.00	5	4706.86	11	7,940.54	27	23,263.70	4	3,645.00	49	46,649.00			2	1,000.00
11802242			8	9,530.00					1	1,130.00	1	1,130.00			4	6,020.00				
11802342			28	36,567.00			1	2000.00	2	1,964.60	12	12,364.60	5	7,010.00	25	28,742.00				
11802842			1	230.00											1	230.00				
11803042			1	310.00											1	310.00				
11803142	1	80.00	24	22,005.00					1	2,000.00	10	9,315.00	1	2,000.00	10	9,545.00				
11803942			17	14,328.00					1	480.00	3	1,719.75	1	2,030.00	8	8,048.00				
11880042	1	110.00	52	53,724.00			3	2440.00	2	1,980.00	9	11,430.00			24	27,710.00	1	1500.00	1	1,500.00
11906142			18	11,446.00			2	636.00	1	400.00	7	3,479.29	1	2,475.00	13	9,346.00				
11908142	3	1,490.00	151	172,939.60	2	2752.62	12	12008.60	26	31,110.00	62	75,280.68	7	6,100.00	94	113,239.62				
14000642			9	6,099.00			2	1289.00			4	2,950.00			6	3,810.00			1	260.00
14001342			1	1,650.00							1	1,650.00			1	1,650.00				
14002942			2	2,900.00									1	2,900.00	1	2,900.00				

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STATION 3020

PERIOD ENDING 6-30-80

VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
14003142	2	450.00	14	9,246.00					1	1,650.00	7	5,716.00			7	5,716.00				
14814042	1	660.00	180✓	240,761.00	1	800.00	5	9083.00	39	53,662.48	71	95,989.75	10	18,399.00	117	169,249.00				
14903442			21	19,997.00					1	840.00	16	13,523.79			17	14,387,99			1	800.00
14905442			64	85,261.00			1	1500.00	10	16,315.00	23	29,353.00	6	7,975.00	41	53,823.00			1	800.00
14907442			1	800.00							1	800.00			1	800.00				
14908442			1	1,090.00					1	1,090.00	1	1,090.00			1	1,090.00				
18002242			4	8,390.00					1	2,500.00	1	2,500.00			4	8,390.00				
18004342			1	232.00											1	232.00				
18005842			2	960.00							1	600.00			1	600.00			1	600.00
18009342			1	800.00											1	800.00				
18010842			2	863.00			1	63.00			1	800.00			1	800.00			1	800.00
18047242			1	500.00			1	500.00							1	500.00				
18055942			2	2,030.00							2	2,030.00			2	2,030.00				
18820042																				
18820142			3	4,363.00			1	1363.00	1	1,500.00	1	1,500.00			3	3,000.00				
21005542			1	800.00							1	800.00			1	800.00				
24000042													1	400.00						
24000942			1	400.00											1	400.00				
24001042			1	107.00							1	107.00			1	107.00				

VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-[illegible])

STATION 3020
PERIOD ENDING 6-30-80

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
24002342			1	600.00							1	600.00			1	600.00				
24002442			2	2,430.00											2	2,430.00				
24901442	1	420.85	16	13,866.85			1	500.00	2	2,830.00	9	10,496.00	2	470.00	13	12,116.00				
25005842			3	1,810.00					1	1,120.00	1	1,120.00			3	1,810.00				
25007042	1	550.00	9	8,515.00					1	1,000.00	2	1,300.00	2	3,030.00	6	5,105.00				
28003942			1	460.00							1	460.00			1	460.00				
28006442			1	600.00					1	600.00	1	600.00	1	600.00	1	600.00				
28008342	1	1,650.00	7	9,030.00					1	1,720.00	4	5,320.00			4	5,320.00				
28010942			1	950.00											1	950.00				
28014942			1	400,00							1	400.00			1	400.00				
28024442			1	1,020.00							1	1,020.[illegible]			1	1,020.00				
28030542			2	4,160.00					2	4,160.00	2	4,160.00			2	4,160.00				
28042642			1	1,400.00			1	1400.00							1	1,400.00				
28050942			34	31,330.00			2	2830.00	12	20,450.00	16	26,600.00	3	3,830.00	25	40,310.00				
28055542			1	800.00							1	771.79			1	800.00				
31000342			5	3,990.00							1	600.00			4	2,740.00				
31000742			1	2,500.00			1	2500.00							1	2,500.00				
31001042			2	2,280.00			1	1500.00							1	780.00				
31001142			4	4,010.00									1	2,760.00	2	4,010.00				

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VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

STATION 3020
PERIOD ENDING 6-30-80

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
31001342			1	1,010.00									1	3,110.00	1	3,110.00				
31001442			4	4,323.00			2	1463.00					1	1,610.00	1	1,610.00				
31001742			1	2,475.00																
31002342			31	25,292.00			4	2062.00	1	1,250.00	3	3,660.00	1	4,500.00	6	8,510.00				
31002442			7	3,740.00	1	478.00	1	478.00	1	330.00	5	1,752.69			5	2,932.00				
31002642			4	2,730.00					1	1,500.00	1	1,500.00	1	1,500.00	1	1,500.00				
31002942	1	190.00	2	700.00											1	510.00				
31003042			21	17,[illegible]7.00			3	2280.00			6	4,770.97	1	4,500.00	15	15,077.00				
31003242			12	9,295.00					1	561.34	2	1,161.34			2	1,200.00			1	600.00
31003442			9	6,470.00					2	611.31	4	1,811.31			7	4,200.00			1	600.00
31003542	1	1,250.00	32	26,662.00			3	4050.00	4	1,837.00	11	5,418.69	1	2,075.00	14	12,937.00				
31003742			1	790.00																
31004042			3	1,787.00							2	1,187.00			3	1,787.00				
31004242			1	60.00																
31004442			3	3,600.00					1	1,300.00	2	2,100.00			2	2,100.00				
31004542			13	11,050.00					3	2,165.41	4	2,765.41			8	6,150.00				
31004642	1	450.00	8	5,412.00					2	2,731.83	2	2,731.83			2	2,772.00				
31004742			52	41,016.00	1	547.24	10	6680.00	2	2,390.00	16	10,716.00	2	980.00	26	16,415.00			3	1,200.00
31005042			3	1,440.00									1	270.00	2	540.00				

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VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

STATION 3020

PERIOD ENDING 6-30-80

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
31005142	1	830.00	2	1,430.00							1	600.00			1	600.00				
31005242			1	1,250.00																
31810042			4	2,280.00											1	500.00				
31810142	1	780.00	4	1,620.00																
31820242			1	780.00					1	780.00	1	780.00	1	780.00	1	780.00				
31840042			1	1,650.00							1	1,664.17			1	1,650.00				
31905142	3	2,970.00	18	16,771.00			1	600.00												
34002242			16	17,898.00					1	1,250.00	5	5,930.00	1	2,500.00	12	16,830.00				
34003242			3	134,800.00					1	344.00	1	344.00			3	1,348.00				
35006342			1	100.00											1	100.00				
35007242			2	2,120.00							1	1,650.00			1	1,650.00				
35007542			1	1,460.00					1	1,460.00	1	1,460.00	1	1,460.00	1	1,460.00				
11000201					2	2000.00		[illegible]												
11000901					1	1190.00														
11001801					2	2300.00	1	1500.00			1	800.00			1	800.00				
11011201					1	520.00									1	520.00				
11505001					2	3660.00					1	2,410.00			1	2,410.00				
11800101					2	2472.44					2	2,472.44	1	1,000.00	2	2,472.44				
11901101					3	1796.69					3	1,785.03			3	1,796.69				

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VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

STATION 3020
PERIOD ENDING 6-30-50

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
13000101					3	1250.00									3	1,250.00				
14908301					1	1050.00									1	1,050.00				
18002601					1	786.75			-2	-1,500.00	1	786.75			1	800.00				
18060901					1	800.00					1	800.00			1	800.00				
18061501					1	1800.00									1	1,800.00				
18063701					5	5634.05					2	3,340.00			3	4,380.00				
31001401					1	230.00	1	230.00												
31902201					1	546.79					2	1,044.18	1	497.39	2	1,044.18				
31903101					4	2567.00					4	2,567.00			4	2,567.00				
34001201					1	1300.00	1	1300.00												
38802001					1	800.00			1	800.00	1	800.00	1	800.00	1	800.00				
26997602					1	1500.00														
11903103					1	700.00														
11905103					2	2670.00					2	2,670.00			2	2,670.00				
11810104					1	3650.00							1	3,650.00	1	3,650.00				
11812204					1	800.00	1	800.00												
11820204					1	600.00									1	600.00				
13000204					1	300.00					1	300.00			1	300.00				
21003404					1	2000.00									1	2,000.00				

STATION 3020

PERIOD ENDING 6-30-30

VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
14280005					1	480.00														
14410005					1	750.00					1	750.00			1	750.00			1	750.00
14420905					1	200.00	1	[illegible]00.00												
14320405					2	1100.00	1	[illegible].00							1	600.00				
14325105					1	800.00														
25530405					2	1600.00	1	800.00			1	800.00			1	800.00				
31501005					1	150.00									1	150.00				
14909406					1	1000.00					1	1,000.00			1	1,000.00				
28010606					1	600.00					1	600.00			1	600.00				
31008706					1	1500.00														
11901108					1	600.00					1	600.00			1	600.00				
14909408					1	1350.00														
11000510					1	1260.00														
11016010					1	1601.79														
14802310					1	1250.00														
14803110					1	1000.00														
14927413					2	1600.00			1	800.00	1	600.00			1	800.00				
14904410					1	600.00			1	600.00	1	600.00	1	600.00	1	600.00				
14932410					1	2000.00									1	2,000.00				

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VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

STATION 3020
PERIOD ENDING 6-30-80

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
18865410					1	600.00	1	600.00												
11007211					1	333.92	1	333.92												
11805011					1	800.00														
11810011					1	600.00					1	600.00			1	600.00			1	600.00
11903111					1	302.65							1	350.00	1	350.00				
24904411					1	800.00					1	800.00			1	800.00				
28044311					1	1500.00			1	1,500.00	1	1,500.00	1	1,500.00	1	1,500.00				
31000214					1	234.00			1	234.00	2	468.00	1	234.00	2	468.00				
31000715					1	800.00			1	685.92	1	685.92			1	800.00				
31004215					1	340.00														
11001216					1	750.00					1	750.00			1	750.00				
11800116					1	800.00														
14904416					1	756.52					1	756.52			1	756.52				
34000316					2	2875.00														
14902817					1	2500.00							1	2,500.00	1	2,500.00				
11100220					1	850.91			1	850.91	1	850.91	1	850.91	1	850.91				
14000420					1	1032.00														
31910521					1	4400.00														
35021621					1	141.00			1	131.08	1	131.08			1	141.00				
																3,500.00				

VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

STATION
PERIOD ENDING

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
11006124					4	4706.16			1	796.16	1	796.16			2	3,500.00				
11806124					1	630.00	1	630.00												
11903824					1	1435.00														
11904124					2	1063.08					1	563.08			1	563.08				
13002324					1	410.00					1	410.00	1	410.00	1	410.00				
14801224					1	2500.00			1	1,500.00	1	1,500.00			1	2,500.00				
14801324					3	884.00									3	884.00				
11801127					1	710.00					1	710.00			1	710.00				
11801231					1	300.00									1	300.00				
11802131					1	600.00	1	600.00												
11900331					1	400.00					1	400.00			1	400.00				
25016332					1	2500.00					1	2,500.00			1	2,500.00				
11002133					2	1780.00			2	1,780.00	2	1,780.00			2	1,780.00				
11803133					1	1670.00														
14942833					1	1000.00														
11820035					1	350.00														
11001736					2	2100.00	2	2100.00												
11003136					1	2500.00														
24928436					1	2500.00								1	2,500.00	1	2,500.00			

C 1[illegible]

VA EDUCATION LOAN PAYMENT/DEFAULT REPORT (RCS 22-8)

STATION

PERIOD ENDING

FACILITY CODE	PAID				TRANSFER				DEFAULT				MATURED				PAID IN FULL			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
31007638					1	800.00	1	800.00												
38074040					1	538.58														
14977443					1	1500.00					1	1,500.00	1	1,500.00	1	1,500.00				
11800144					1	600.00									1	600.00				
14902146					1	1060.00														
11903146					1	1200.00														
14908446					1	2000.00														
31004746					1	1500.00														
14905447					1	1500.00					1	1,500.00	1	1,500.00	1	1,500.00				
14922447					2	2500.00									2	2,500.00				
15009547					1	357.38			1	357.38	1	357.38			1	357.38				
11800049					1	51873							1	600.00	1	600.00				
11812649					1	695.71														
	21	13,050.85	1,232	1,281,835.45	134	135668.01	108	106570.35	174	205,671.96	518	525,059.00	81	118,436.30	833	909,392.82	2	2300.00	19	12,230.00
	CURRENT QUARTER		PROGRAM TO DATE		PROGRAM TO DATE				CURRENT QTR		PROGRAM TO DATE		CURRENT QTR		PROGRAM TO DATE		CURRENT QTR		PROGRAM TO DATE	

EXHIBIT F

Dear

Our records indicate that you have completed your program of training. For the purpose of keeping your VA records up to date, please indicate your current mailing address on the return portion of this form.

Repayment of your VA education loan will become due on Prior to that date, we will ask you for a schedule of repayment.

If you plan to reenter a further program of training, please indicate your prospective date of reentrance on the return portion of this form.

Sincerely yours,

[redacted] J.C. MASK

Finance Officer

FL 4-432a
APR 1970

VETERANS ADMINISTRATION
110 9TH AVE SOUTH /242B
NASHVILLE, TN 37203

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

POSTAGE AND FEES PAID
VETERANS ADMINISTRATION

VA-601

U.S.MAIL

VETERANS ADMINISTRATION
110 9TH AVE SOUTH /242B
NASHVILLE, TN 37203

NAME	VA FILE NO.	VA EDU. LOAN NO. EL

CURRENT MAILING ADDRESS *(Number and street or rural route, city, State, and ZIP code)*

I plan to reenter training at ____________________

for the period ______________ to ______________

SIGNATURE	DATE

FL 4-432c
APR 1978

(Detach here before mailing.)

VETERANS ADMINISTRATION
110 9TH AVE SOUTH /242B
NASHVILLE, TN 37203

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

POSTAGE AND FEES PAID
VETERANS ADMINISTRATION
VA-601

U.S.MAIL

ADDRESS CORRECTION REQUESTED

Dear

EXHIBIT G

Our records indicate that you completed your program of training some months ago. For the purpose of keeping your VA records up to date, please indicate your current mailing address on the return portion of this form.

Repayment of your education loan will become due on . Prior to that date, we will ask you for a schedule of repayments.

If you plan to reenter a further program of training, please indicate your prospective date of reentrance on the return portion of this form.

Sincerely yours,

~~E. R. Morrey~~ J.C. MASK
Finance Officer

FL 4-432b
APR 1978

VETERANS ADMINISTRATION

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

POSTAGE AND FEES PAID
VETERANS ADMINISTRATION

VA-601

U.S. MAIL

V. A. REGIONAL OFFICE 242B
110 9th AVENUE SOUTH
NASHVILLE, TENNESSEE 37203

NAME	VA FILE NO.	VA EDU. LOAN NO. EL

CURRENT MAILING ADDRESS *(Number and street or rural route, city, State, and ZIP code)*

I plan to reenter training at ____________________
for the period ____________________ to ____________________

SIGNATURE	DATE

FL 4-432b
APR 1976

(Detach here before mailing.)

VETERANS ADMINISTRATION
110 9th AVENUE SOUTH 242B
NASHVILLE, TN. 37203

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

POSTAGE AND FEES PAID
VETERANS ADMINISTRATION
VA-601

ADDRESS CORRECTION REQUESTED

EXHIBIT H

Regional Office

110 9th Avenue South
Nashville, Tn. 37203

Veterans
Administration

This just a reminder that your VA Education Loan(s) in the amount of under PL93-508 will become due on . As stated in your promissory note you agree to repay the loan within a 10-year period from the above due date. The following repayment options are open to you:

☐ 1. One payment, total amount on or before due date. This would be the total amount of loan only, since no interest accrues until due date.

☐ 2. Monthly payments of for 119 payments and final payment of , due on or before the of each month. This option cannot be used if the total loan(s) is $950.00 or less. First payment is due on or before

☐ 3. Quarterly payment of for 39 payments and a final payment of , due on or before the of each month after end of each 3-month period. First payment is due on or before .

☐ 4. Semiannual payments of for 19 payments and a final payment of , due on or before the of each month after the end of each 6-month period. First payment is due on or before .

☐ 5. Annual payments of for 9 payments and a final payment of , due on or before the of each month after the end of each 12-month period. First payment is due on or before .

Please indicate on the attached sheet the repayment schedule you wish to use. Your selection should be returned within 30 days from the date of this letter. To insure that all payments are properly credited to your account, identify on each payment your VA loan number and your VA file number as shown below.

If you are presently enrolled as at least a half-time student in resident training at an educational institution and no longer entitled to VA educational assistance allowances, the loan repayment can be deferred. School certified evidence of your enrollment and your anticipated date of completion must be provided to substantiate this deferment.

Sincerely yours,

Finance Officer

FL 4-322
Dec 1978(RS)

In Reply Refer To:
VA Loan No.:
or
VA File No.:

RETURN THIS FORM IN THE ENCLOSED SELF-ADDRESSED ENVELOPE

Retain the letter as a reminder of the due date of your payment under the repayment option you selected.

☐ I am presently enrolled as at least a half-time student without VA educational assistance allowances. Certified evidence from the school is attached.

☐ I select option No. ____ as my method of repayment of my loan(s).

I understand that it is my responsibility to submit my payments timely in accordance with the option I selected.

________________________________ ____________________

(Signature) (Date)

ADDRESS: (Only if changed from above)

____

____

VA Loan No.:
EL
VA File No.:

FL 4-322, Page 2
Dec 1979(RS)

EXHIBIT I

REGIONAL OFFICE

110 9th Avenue South
Nashville, TN 37203

VA...MAY I HELP YOU?

Veterans
Administration

SECOND REQUEST

This is the second and final reminder that your VA Education Loan(s) in the amount of under PL93-508 was due on . As stated in your promissory note you agreed to repay the loan within a 10-year period from the above due date. The following repayment options are open to you:

☐ 1. One payment, total amount on or before due date. This would be the total amount of loan only, since no interest accrues until due date.

☐ 2. Monthly payments of for 119 payments and final payment of , due on or before the of each month. This option cannot be used if the total loan(s) is $950.00 or less. First payment is due on or before

☐ 3. Quarterly payment of for 39 payments and a final payment of , due on or before the of each month after end of each 3-month period. First payment is due on or before .

☐ 4. Semiannual payment of for 19 payments and a final payment of , due on or before the of each month after the end of each 6-month period. First payment is due on or before .

☐ 5. Annual payments of for 9 payments and a final payment of , due on or before the of each month after the end of each 12-month period. First payment is due on or before .

Please indicate on the attached sheet the repayment schedule you desire to use. Your selection must be returned within 30 days from the date of this letter. Failure to provide your selection and the first payment within 30 days of the due date will place the loan in default. When a loan is defaulted the total amount of the principal and interest due is payable at that time and will be recovered in accordance with existing laws. To insure that all payments are properly credited to your account, identify on each payment your VA loan number and your VA file number as shown below.

If you are presently enrolled as at least a half-time student in resident training at an educational institution and no longer entitled to VA educational assistance allowances, the loan repayment can be deferred. School certified evidence of your enrollment and your anticipated date of completion must be provided to substantiate this deferment.

Sincerely yours,

Finance Officer

FL 4-322a
Dec 1979(RS)

In Reply Refer To:
VA Loan No.:
EL
VA File No.:

RETURN THIS FORM IN THE ENCLOSED SELF-ADDRESSED ENVELOPE.
Retain the letter as a reminder of the due date of your
payment under the repayment option you selected.

☐ I am presently enrolled as at least a half-time student without VA educational assistance allowances. Certified evidence from the school is attached.

☐ I select option No. ____ as my method of repayment of my loan(s).

I understand that it is my responsibility to submit my payments timely in accordance with the option I selected.

______________________ (Signature)   ______________________ (Date)

ADDRESS: (Only if changed from above)

____

____

VA Loan No.
SL
VA File No.

FL 4-322a, Page 2
Dec 1978(RS)

EXHIBIT J

DEBTS COLLECTED IN COOPERATION WITH THE LOAN GUARANTY DIVISION

	DEBTS DISCOVERED		DEBTS PAID IN FULL		VETERAN ARRANGED TO PAY	
	No.	Amount	No.	Amount	No.	Amount
1979						
April, May, June	56	$24,395.13	25	$ 8,549.33	2	$ 860.64
July	66	34,638.93	34	14,040.85	3	1,018.29*
August	88	36,063.17	58	17,987.43	1	105.07
September	54	28,954.92	45	18,735.93	1	916.20
October	63	28,887.28	36	11,598.57	2	1,123.79
November	43	17,879.47	22	7,367.08	1	401.53
December	34	15,639.18	15	4,744.49	1	897.81
1980						
January	33	15,979.60	22	7,999.65	1	822.98
February	30	10,485.82	16	5,197.23	-0-	-0-
March	24	8,503.55	8	2,741.43	-0-	-0-
April	19	9,691.93	11	5,254.18	-0-	-0-
May	21	8,611.80	13	4,201.51	-0-	-0-
June	23	8,508.57	7	4,370.59	-0-	-0-
July	42	18,844.91	11	2,141.81	-0-	-0-
August	36	18,326.59	21	7,383.11	4	3,369.42
TOTAL	632	$285,450.85	344	$122,313.19	16	$9,645.73
	100%	100%	54.43%	42.85%	2.53%	3.38%

Average Percentage of Paid and Arrangements - 56.96% 46.23%

* Includes two veterans who re-entered training.

Mr. HEFNER. Our next witness is Mr. Donald Samuels, national service officer, Disabled American Veterans.

If you can, please summarize your testimony; it will all be a part of the record.

STATEMENT OF DONALD L. SAMUELS, NATIONAL SERVICE OFFICER, DISABLED AMERICAN VETERANS

Mr. SAMUELS. Chairman Hefner and members of the committee, the DAV in the great State of Tennessee appreciates this opportunity to present our views on the Veterans' Administration educational program, more specifically the subject of collection of debts owed to the Veterans' Administration.

It would not be appropriate if I did not mention what DAV Department of Tennessee thinks about Congressman Bill Boner. We feel that in his district he has done an outstanding job for the veterans, State and Nation. He participates when called upon in all of our DAV functions.

I sincerely believe Bill Boner realizes the true American ideals and aims to advance the interests and works for the betterment of all wounded and injured and disabled veterans and their dependents. I know of his personal concern and the problems of the young Vietnam veterans and the older veterans' geriatric needs.

I would like to indicate that the DAV in Tennessee is proud to have him as our representative.

Briefly, the DAV includes itself in the ranks of those who wish to see this indebtedness recovered. Not only do we ascribe to the basic tenets of paying one's debts, we realize that the present situation lends the degree of credence to those who unjustly characterize VA benefits and services as being insufficient, costly, subject to abuse.

Evidence has been received which indicates that interest charges do act as an incentive to encourage debtors to respond and participate in the payment proceedings. The DAV would not object to this practice being applied to the VA situation; however, in consideration of the method to be used in financing interest rate charges, we very definitely do not believe the veterans should be treated more harshly than any other categories of Federal debtors.

We, therefore, would support method B, of which you have a copy in my testimony which is in accordance with section 327(b) of the Higher Education Act of 1964, section 1077(b), title 20 of the United States Code which would require a flat 7-percent interest rate.

One additional point, if the law is to be modified so the veterans must pay interest on outstanding debts owed to the VA, we believe the VA should be required to pay interest on moneys that have been erroneously withheld from veterans.

I am specifically referring to those instances where a prior adverse benefit determination has been set aside by VA on the basis that such original decision was clearly and unmistakably in error.

Section 3.105(a) CFR of VAR 1105(a) specifically, in reference to the VA educational debt recovery changes that are in the educational bill now, the DAV does not object to them.

We are, however, seriously concerned and worried about how the administration costs are going to be computed. For example, if the veteran's claims file is laying on an adjudication officer's desk, in transit to another VA, in a VA hospital, et cetera, which could involve a substantial amount of time during the debt recovery process, this time involved should not be counted in the administrative costs.

This completes our comments for the hearing record.

I wish to thank you very much for giving our organization the opportunity to state its views on this important subject.

I would like to recognize David Gray, who is the assistant supervisor of our national service office.

Dave, thank you.

[Mr. Samuels' statement follows:]

STATEMENT OF
DONALD L. SAMUELS
NATIONAL SERVICE OFFICER
DISABLED AMERICAN VETERANS
TO THE
SUBCOMMITTEE ON EDUCATION
TRAINING AND EMPLOYMENT
HELD IN NASHVILLE, TN
ON September 26, 1980

CHAIRMAN W. G. HEFNER AND MEMBERS OF THE COMMITTEE:

The DAV in the great state of Tennessee appreciates this opportunity to present our views on the Veterans Administration educational program; more specifically, the subject of the collection of debts owed to the Veterans Administration.

Noting your request for our organization's views on this matter, I am pleased to provide the following comments for incorporation into the hearing record:

The failure of some veterans to repay debts owed to the Veterans Administration, the bulk of which were created due to educational assistance overpayments, has resulted in an accumulated indebtedness well into the hundreds of millions of dollars -- a matter of no small import both to the VA and the American taxpayer.

The DAV includes itself in the ranks of those who wish to see this indebtedness recovered. Not only do we ascribe to the basic tenet of "paying one's debts," we realize that the present situation lends a degree of credence to those who unjustly characterize VA benefits and services as being inefficient, costly, subject to abuse, etc.

It was primarily on this basis that the DAV took a favorable stand on H.R. 4764 during House Veterans Affairs Committee hearings that were conducted in July of last year. As you know, the purpose of H.R. 4764 (since placed as a provision in the House passed bill, H.R. 5288) is to provide additional methods of locating VA debtors and, in appropriate cases, affecting their credit standing if they fail to cooperate with VA debt collection, compromise and waiver procedures.

The evidence of record indicates that the vast majority of debts owed the VA are in amounts of $600 or less. Recovery of this category of indebtedness is pursued by the VA itself, while recovery of amounts in excess of $600 is referred to the Department of Justice. In the former category, it has emmerated several additional steps that could be taken (steps which would require statutory authorization) towards the goal of debt recovery. They include:

1. The charging of interest on outstanding debts in order to provide more incentive for veterans to repay.
2. The recovery of the indebtedness through recoupment from other VA benefit entitlement that the veteran may be receiving or entitled to receive in the future.
3. In the cases where the veteran debtor is a federal employee, the recovery of the indebtedness through offset of (federal) salaries.

With respect to item 1 above, is cited two possible methods of formulation for the interest rate to be charged:

A. In accordance with Section 6621 of the Internal Revenue Code--which would fix a rate of interest identical to the prime lending interest rate in effect in October of each year (as adjusted back to the preceding month of September), or

B. In accordance with Section 427(b) of the Higher Education Act of 1965 (Section 1077(b), Title 20, USC)--which would require a flat 7% interest charge.

Evidence has been received which indicates that interest charges do act as incentives to encourage debtors to respond and participate in repayment proceedings. The DAV would not object to this practice being applied to the VA situation, however, in consideration of the method to be used in fixing interest rate charges, we very definitely do not believe that veterans should be treated more harshly than any other categories of federal debtors. We therefore would support method "B" cited above in determining interest rate charges.

One additional point: if the law is to be modified so that veterans must pay interest on outstanding debts owed to the VA, we believe the VA should be required to pay interest on monies that have been erroneously withheld from veterans. I am specifically referring to those instances where a prior adverse benefit determination has been set aside (by the VA) on the basis that such original decision was "clearly and unmistakably in error." (Section 3.105(a), CFR 38; VAR 1105(a))

In "1105(a)" cases, all benefits erroneously withheld from the claimant are paid. However, these retroactive payments do not fully compensate the claimant, as they are not adjusted to reflect such factors as the loss of purchasing power due to inflation, interest and dividends that could have accured had the money been saved, invested, etc.

Therefore, our support of legislation that would require interest charges being applied against VA indeptedness is contingent upon the passage of legislation authorizing similar interest payments in the above-cited category of VA claim.

Regarding the two other proposals of recovery of indebtednesses through the apportionment of other VA benefits and/or federal salaries--the DAV would pose no objection, provided that such apportionments would be approached from the standpoint of not causing the veteran and his family undue financial hardship. Should any one or all of these contemplated proposals be enacted into law, we naturally assume that existing rights and procedures relative to waivers of indebtedness would remain in effect.

In reference to the VA educational debt recovery changes that are in the Educational Bill now in the process of being passed by the Congress. The DAV does not object to them. We are, however, seriously concerned and worried about how the "administration costs" are going to be computed. For example, if the veteran's claims file is laying on an Adjudication Officer's desk in transet to another VA Regional Office at the VA Hospital, etc., which could involve a substantial amount of time during the debt recovery process. This time involved should not be counted in the administrative costs.

This completes our comments for the hearing record. I wish to thank you very much for giving our organization the opportunity to state its views on this important subject.

Mr. **Hefner**. Thank you, Mr. Samuels.

I will yield briefly to my colleague from Tennessee, if he has questions.

Mr. **Boner**. I have no questions except to say that Mr. Samuels, I certainly appreciate your kindness, and I think you, along with those from the VFW and The American Legion and other areas that our congressional office worked with very closely, do an outstanding job. We appreciate the service you are in.

Mr. **Hefner**. Mr. Hall?

Mr. **Hall**. I have no questions.

Mr. **Hefner**. Mr. Leath?

Mr. **Leath**. No questions, Mr. Chairman.

Mr. **Hefner**. We will move to our next witness.

Our next witness is Mr. Barney W. Greene, department adjutant, The American Legion.

Mr. **Boner**. Before this individual speaks, I have to ask for a personal liberty here, because I think you and the members of this subcommittee ought to know that my relationship probably goes back when I was a mere child in the cradle. Barney was as active as he is now and I had the opportunity to serve in The American Legion as the Governor of the Boys State in 1962 and probably was motivated to go to Boys State and do things as I did as the result of a guy who was head of The American Legion across the State of Tennessee.

I can't tell you how much this man has had an impact not only on my life personally, as a friend and as a veteran, but on the lives of many veterans across the State of Tennessee, and I appreciate your allowing me the opportunity to do this.

Mr. **Hefner**. Mr. Greene, you may summarize your statement and proceed in any way you see fit.

STATEMENT OF BARNEY W. GREENE, DEPARTMENT ADJUTANT, THE AMERICAN LEGION

Mr. **Greene**. Thank you, Mr. Chairman.

I consider the Honorable Bill Boner a great friend of mine, and may I correct his statement as running The American Legion in Tennessee to being errand boy for the American Legion in Tennessee.

We wish to extend a warm welcome to you and your staff to Nashville. Furthermore, we wish to thank you for your vast contributions in the area of veterans' affairs as members of the House Veterans' Affairs Committee.

We wish to extend a warm welcome to Bill Boner, our Congressman from the Fifth Congressional District. We have followed the career of Congressman Boner since he was elected American Legion Boys State Governor in 1962. We were a close observer and supporter of Bill when he ran for the house of representatives in the Tennessee General Assembly and later during his successful bid for a seat in the senate of the General Assembly.

Congressman Boner, we wish to thank you for bringing your colleagues to our home town for this hearing.

We wish to convey to you this morning that The American Legion shares a warm cooperative working relationship with Mr.

Robert Bielak, director of the Veterans' Administration regional office and his entire staff.

We feel we would be very remiss if we did not share with you the high esteem and working relationship that we have with the Tennessee Department of Veterans' Affairs. We sincerely feel that this State agency has some of the most knowledgable and capable people of any state in the field of veterans' affairs.

Now, I will address myself to education and vocational rehabilitation. In the field of education and vocational rehabilitation, we commend the 96th Congress for approving legislation which will substantially improve, and essentially modernize, the vocational rehabilitation program for service-connected disabled veterans.

We were disappointed, however, that veterans enrolled in that and other education programs were granted only a 10 percent cost-of-living increase. That increase, the first in 3 years, was inadequate to make up for even 1 year's inflation. We call upon Congress to provide adequate and realistic increases in monthly payments to keep pace with increases in the cost of living. We hope that the 97th Congress will act to redress this deficiency.

We in The American Legion in Tennessee feel that appropriate increases in financial allowances are not being made to Vietnam era veterans endeavoring to further their education in higher educational institutions. We hope that you would agree that this group of veterans were the victims of a mismanaged and political war, causing many of them to be ridiculed unjustly for various reasons.

We feel that financial allowances for education under the GI bill for this group of veterans should keep pace with the inflation rate commensurate with the allowances made under the original GI bill of World War II veterans.

We are greatly concerned about reports stating that overpayments of nearly $2 million have been made to veterans in Tennessee who did not qualify for the educational payments. Certainly, The American Legion does not condone this type of abuse, and we would hope that the appropriate agencies would pursue to the limit their efforts to collect these moneys.

Now, Mr. Chairman, on the subject of employment, we are vitally concerned about the unemployment rate of veterans in Tennessee. The first group to which we address ourselves is the disabled and older veteran. The advancing age of World War II and Korean veterans is, in our opinion, creating serious employment problems for this group.

During the current recession and layoffs, disabled and older veterans nearly always encounter difficulties. We understand that the responsibility for providing specialized services to meet the employment problems has been given to the U.S. Department of Labor, its veteran employment services, and the State employment agencies.

We sincerely hope that the Department of Labor, its Employment and Training Administration, the veterans' employment service, and the State employment agencies intensify their efforts to resolve these problems.

Unemployment among Vietnam veterans is exceedingly high in Tennessee. The American Legion for a period of years has endeavored to have created a position to be identified as the Assistant Secretary of Labor for Veterans' Employment. We feel that under the present system the Deputy Assistant Secretary of Labor for Veterans' Employment within the Department of Labor, charged with the responsibility of implementing labor employment policies and procedures pertaining to veterans' programs, is so far down on the table of organization that he is not effective. We urge your committee and the Congress to approve legislation authorizing creation of the position of Assistant Secretary of Labor for Veterans' Employment.

We feel that the CETA program should be revised regarding veterans. The specific recommendation is that veterans be added to the priority groups now identified in CETA regulations; that any unemployed veteran, regardless of the length of time of unemployment or of income, be eligible to participate in CETA programs, and that CETA regulations be amended to provide that the State director of the VES be involved in planning the CETA programs.

We further recommend that the Congress enact legislation that would expand eligibility for the targeted jobs tax credit program wherein eligibility for the program would include economically disadvantaged veterans, regardless of period of service or age; remove the precondition of enrollment in, or completion of, a program of vocational rehabilitation for eligibility of disabled veterans; extend the program to 1985 and extend indefinitely the employer tax credit for hiring disabled veterans.

Finally, Mr. Chairman and members of the subcommittee, I will address myself to a vital concern of ours and that is the question of veterans' preference. We in The American Legion in Tennessee feel that veterans in many instances are being discriminated against to the extent that they are not being given the preference that the statute mandates. This pertains to Federal employment and Federal contractors. We solicit the cooperation of this subcommittee and the Congress in seeing that these abuses are eliminated.

In conclusion, I might add most of the items I have alluded to are mandates of the national organization, and I can furnish documentation resolutions on the same.

Mr. Chairman, I thank you and the committee for your indulgence.

Mr. HEFNER. The legislation we passed yesterday, H.R. 5288, elevates the position of Deputy Secretary of Labor for Veterans' Employment to the Assistant Secretary of Employment so that is going to be of some importance to you.

Also, we proposed in the bill last year, and the proposed bill that came out of our subcommittee called for a 15-percent increase in GI bill rates. Under the budget restrictions and reconciliation requirements which the full House approved, my particular subcommittee was called upon to try to come up with a combination of savings and cost cutting of some $400 million for fiscal year 1981, and it is regrettable to us.

We would have liked to have had a 15-percent or more cost-of-living increase, but under the restrictions of the first concurrent budget resolution there was just no way that we could get 15 percent. So, we had to go with the 10-percent cost-of-living increase. Very regrettable. Every member of this committee supported the 15-percent cost-of-living increase, but if we were going to get a bill through the House in line with the the Budget Committee resolution, we had to take the 10 percent.

I will not be on the committee next year, but I feel sure these men are going to do their very best for the veterans.

Mr. **Greene**. We in The American Legion understand you and the Members of Congress position, and are cognizant of the restraint that was asked of you, and we appreciate your efforts in this area.

Mr. **Hefner**. We have tried. One of the things we looked for in these field hearings, especially in New Jersey and California, is the reason that some Vietnam era veterans are not taking advantage of the programs that are available.

It is very difficult for us to find out what we need to do. Some people suggest that the Veterans' Administration run ads in Playboy magazine. I don't know what that magazine is; I am not familiar with it. Also, some wanted ads run in some of the automobile magazines and the drag strip magazines to try to get the Vietnam veterans to take advantage of some of these programs.

We had people come and suggest we go outside of Veterans' Administration programs and just make it into a grant or a welfare program. You would just have an outreach program, with the hole in the wall, have the veteran come in and you give him some money, which we refuse to do. We can't do that. We have to operate in the system.

Some of the Vietnam veterans testified and said, "We are not going to take part in the establishment and we are not going to go that route." If we begin to take those veteran programs and fragment them, then we are going to lose the whole ball of wax.

We absolutely refuse to go that route. We are trying to find a way to get those people, the ones that I refer to as those that are falling through the cracks, not taking advantage of it, and it is very disturbing to us and we are doing everything that we can. I certainly appreciate your concern, and I know that you have been a very strong supporter of veterans programs over the years.

My father was a member of The American Legion, and that was the proudest organization that he belonged to. I want to congratulate you on the work that you have done and your colleague, Mr. Boner, for the hard work that he helps us with here.

I would yield to my colleague, Mr. Hall, for 3 minutes.

Mr. **Hall**. Mr. Greene, thank you.

I want to ask you a question separate and apart from your testimony. I am asking you this because I hope I will get some reaction from those who will follow up later. Before going to Congress I practiced law for nearly 30 years in east Texas. I found that veterans were the only group of people who did not have recourse to the courts. The social security people could appeal an adverse ruling and go to the U.S. district court, and every other facet of the American people had access to the court system.

I know that some of my colleagues on the committee, some who are here today, and my friend Mack Fleming might not agree with my position, but I have seen some cases in the past and also since being a Member of Congress and a member of this committee, where I thought that a worthy individual had a worthy cause, but for some reason or another in the administrative proceedings in the Veterans' Administration an award was not made.

What is your position and what is your thinking about the possibility of legislation that would allow a veteran to appeal from an adverse ruling of an administrative officer into a Federal district court for a de novo review?

Mr. **Greene**. Mr. Hall, I assume you are alluding to something that has been talked about many years, judicial review.

Mr. **Hall**. Yes, sir.

Mr. **Greene**. I am not an attorney, and as a lay person I am not a service person. I am an administrator. I have mixed emotions, but if I had to answer the question forthrightly, my answer would probably be I would be in favor. I know some of my colleagues who are service officers don't share that view.

Mr. **Hall**. I know you could get legitimate arguments on both sides of the question. I thought maybe I just might drop it in at this point and hopefully we can get some more discussion on it before we finish up these proceedings.

Thank you very much.

Mr. **Hefner**. Mr. Boner?

Mr. **Boner**. No questions, Mr. Chairman.

Mr. **Leath**. Thank you, Mr. Greene.

I have no questions.

Mr. **Greene**. I have followed closely the House Veterans' Affairs Committee since its inception, and I have found, regardless of how long they had served or their political affiliation, this is the least partisan, except when it comes to veterans, and one of the most cooperative and effective committees, and we are proud of you.

Mr. **Hefner**. Thank you, Mr. Greene. It is a very nonpartisan committee. We work very hard, and most all of the veterans organizations—well, the veterans organizations are basically nonpartisan, which is a good relationship, for our prime concern on the committee is benefits for veterans, period. We have had disagreement on amendments and this sort of thing, but on all legislation that we report out for the benefit and for the good of veterans is unanimous when it comes out of the Veterans Affairs Committee. Generally, it is the same with The American Legion, the DAV and the VFW.

The prime concern of national veterans' organizations should be for the welfare and the benefit of veterans. That should be the foremost thing in their efforts, and when we get away from that, we have committed a grave error. I want to congratulate you and the veterans of your State who belong to The American Legion for the support you provide for veterans programs

Our next witness—we have to do a little bit of changing here with the indulgence of everyone. The gentleman has to leave, but we certainly want to try to accommodate everybody we can because we want to try to finish the hearing before we take a break.

Mr. William Dusty Roden, we are happy to have you with us here today, sir.

STATEMENT OF WILLIAM H. RODEN, COMMISSIONER, DEPARTMENT OF VETERANS AFFAIRS, STATE OF TENNESSEE

Mr. **Roden**. Mr. Chairman and members of this subcommittee, it is a distinct pleasure for me, as the commissioner of veterans' affairs for the State of Tennessee, to welcome you to Tennessee and to Nashville, even though you have received other welcomes. We sincerely trust that your stay in the Volunteer State will be rewarding. On behalf of Governor Alexander, I welcome you and offer the assistance of his administration and the Department of Veteran Affairs in carrying out your mission here.

I would like to recognize that there are some six members of our departmental staff who are here, and they will be available for questioning if the subcommittee so desires.

Assistant Commissioner Vollie McCollum, the director of claims services; David Gaither; and two claims specialists, Mrs. Dotty Dalton and Mr. Jim Mulcaby, and two field representatives, Mr. Buddy Henry and Mr. Lee Orman.

The Tennessee Department of Veterans Affairs was created in 1945 to be a service agency of State government specifically charged with collecting data and information regarding facilities and services available to veterans, their families and dependents; to cooperate with all information and service agencies throughout the State in informing the veterans, their families and dependents regarding the existence or availability of all educational training and retraining facilities, health, medical, rehabilitation and housing service, employment and re-employment services, provisions of Federal, State, and local laws affording rights, privileges, and benefits to said persons and all other matters of similar, related and appropriate nature.

It is also the duty of the department to assist veterans and their families and dependents in the presentation, proof and establishment of all claims, privileges, rights and other benefits which they may have under Federal, State, and local laws and to cooperate with all national, State, local governments, and private agencies securing services or any benefits to veterans, their families and dependents.

The department operates 10 field offices geographically located across the State so as to be reasonably accessible to all institutions of training in the State and to all veterans who are residents of the State.

During fiscal year 1980 it was our pleasure to assist almost 160,000 individuals through counseling either in person or by telephone and another 45,000 through correspondence.

While we attempt to assist in any subject brought to us by a claimant, our service in the area of educational benefits has been minimal due mainly to the lack of requests for assistance. In fact, our assistance consists primarily of providing information and supplying the appropriate forms and documents required to obtain benefits.

We have found that the educational program administered by the Veterans' Administration is handled very well in Tennessee, taking into consideration the normal flow of complaints and delays arising during any peak enrollment period such as we are experiencing at this time. Practically all institutions in Tennessee register and begin classes in late August and early September each year. However, we do understand that there has been fair success in the delivery of advance paychecks with the main problem being the lack of funds with which to make payment. This has been remedied with the release of funds on September 18. One institution reported that out of 85 students who had applied for advance pay, only 25 had received their checks at registration time. Several institutions reported no problem in this area.

All institutions contacted reported a good relationship with the VA regional office in Nashville. Problems called to the attention of VA were brought to satisfactory conclusions, except in very rare instances.

We realize that there is considerable concern in Tennessee, as well as across the Nation, with the number and the amount of overpayments in the program. We understand from what has been said here this morning and from your correspondence that Tennessee has an overpayment account approaching $1.8 million, due in large part to the lack of responsibility on the part of the payee and in no small part due to the time lag in the Veterans' Administration for processing stop pays to the payment center. It is a matter of concern to all of us that procedures for preventing overpayments are not in place at this stage of the program. However, I might remark what we have heard here this morning indicates every effort is being made to provide such.

We find considerable concern in the area of satisfactory progress. The educational institutions of this State feel that they are more capable of determining the degree of progress attained by a student than anyone or any source outside the institution. They feel that the regulations and guidelines attending the law are more restrictive than necessary and should be revised in order for the educational institution to provide for maximum development of the student veteran.

There is in Tennessee an unofficial association known as the Tennessee Education Association for Veterans comprised of deans, counselors, and veteran representatives on campuses which meets regularly with officials of the VA to discuss problems and complexities, rules and regulations in the administration of the education programs.

We understand that this organization is well received in VA and that the general working relationship is good. However, the association is interested in the portion of the law relating to the change of programs. This association advised members of our staff that in an associate degree program, a student is required to declare a major immediately upon enrolling and he must pursue this major from the beginning, whereas in a 4-year institution the selection of a major may be deferred until the second or third year.

If a student in a 2-year college desires to change his major, for example, from engineering to registered nursing to accountant—two changes—he is caught up in the change-of-program process, but the student in the 4-year institution can change as often as he wishes in the first 2 years without being charged with a change-of-program so long as the loss of credits is not so substantial as to extend the time necessary to obtain a baccalaureate degree. The association believes that the 2-year student is entitled to the same consideration with regard to altering courses as is the 4-year student.

The last point, Mr. Chairman, we would like to mention is in connection with the 10-year delimiting date for the Vietnam era veterans. There has been much said and done about the return of the Vietnam veterans and their readjustment to civilian life. The most recent topic concerns the storefront activities established to reach and counsel those Vietnam veterans who otherwise would not seek assistance from the bureaucracy.

It is the feeling of educational institutions and veterans alike that those vetrans who are unable to adjust immediately following separation from the service certainly are unable to take advantage of the training opportunities made available to them by their Government. It is the feeling, also, that more time is necessary in these particular cases and that the delimiting date should be extended to 12 years in order that these individuals may seek out and plan for that which is offered for their personal development.

Mr. Chairman, this completes our presentation. Again, we want to thank you for this opportunity to be heard, and again to offer the assistance of the department of veterans' affairs in any manner possible. We feel certain that others who will appear before you will have definite and detailed information and ideas which will corroborate, perhaps, some of that which we have presented to you.

Thank you very much.

Mr. **Hefner**. Thank you, Mr. Roden.

I have no questions as such, and we certainly share your views on this and agree with you on a great portion of your statement.

In the area of satisfactory progress, I feel sure that the institutions of Tennessee certainly would be capable of doing this. But the thing that we are concerned about is, as I feel sure you are, we do have some instances where we in the past have tried to tie loopholes where we have had institutions that were basically interested in getting the moneys for the schools rather than the progress of the student. There were no requirements for time or attendance, and even in my own home State we had a scandal for some of the so-called business schools and this sort of thing where it almost reached scandalous proportions. We have no doubt we maybe made some errors as we sometimes do when the Congress attempts to set rules and regulations.

But as I said earlier, when we pass laws and create benefits for people, we have to make it somewhat universal to take care of some of the abuses. Sometimes it does penalize people who are much more efficient. Your institutions in Tennessee would know what is satisfactory progress.

I will yield 3 minutes to my colleague, Mr. Boner, for whatever questions he might have.

Mr. **Boner**. No questions other than a statement to say I think Dusty Roden and I and our staffs have worked very closely together. I believe you will recall Dusty and Representative U. A. Moore. We have in Tennessee a joint committee of members of the House and Senate of veterans' affairs. They came and testified before our Veterans' Affairs Subcommittee on Medical Facilities and Benefits, I believe, and he and I have a very close working relationship. He probably is an example of how nonpartisan people can be when they have the same concern, and that being of our veterans, and he does an outstanding job with them.

Dusty, I appreciate the relationship we have and the assistance that your office and your staff have given to my office as we both try to work to help the veteran in this State.

Mr. **Roden**. That relationship is mutual.

Mr. **Hefner**. Mr. Hall?

Mr. **Hall**. I thank you for your testimony.

With reference to the area of concern that you mentioned, the area of satisfactory progress, I believe that this bill that passed yesterday removes the provision linking satisfactory progress with course completion time which probably will take care of one of the suggestions that you have here.

One thing I differ with you on is extending the delimiting time from 10 to 12 years. Is there some reason for extending it from 10 to 12 years?

Mr. **Roden**. Mr. Hall, that particular number of years was a result of an inquiry and a statement that I made to members of our staff in stating I felt that there ought to be a consideration given to these people, the same as those of us who use the World War II or the Korean GI bill. And as I recall in my own case, using World War II, I had until July 1, 1956, in which to utilize that, having come out of the service late in 1945.

Mr. **Hall**. All right. Thank you.

Mr. **Hefner**. Mr. Leath?

Mr. **Leath**. I have no questions, Mr. Chairman.

Mr. **Hefner**. Thank you, Mr. Roden.

I am sorry that we didn't get you out sooner. I hope you make your appointment.

Our next witness is Mr. Fred Tucker, Marine Corps League. Mr. Tucker.

STATEMENT OF FRED TUCKER, COMMANDANT, MARINE CORPS LEAGUE

Mr. **Tucker**. Mr. Chairman, distinguished members of the subcommittee, I would like to join the other organizations and other veterans groups in welcoming you to Tennessee and express my appreciation for the opportunity to appear in front of this committee.

Gentlemen, I have been privileged as a Vietnam vet to take advantage of the GI bill and earn a master's degree subsequent from my retirement from the Marine Corps on July 1, 1977. I have also been privileged to serve as a certification officer for veterans and dependents enrolled in the evening program at a local college from August 1978 through June 1980.

The GI bill, vocational rehabilitation and dependents' education are all excellent programs and administered rather well, overall. My compliments to Mr. Bielak and his crew over at VA. They are doing a great job.

However, as with any large-scale, Government-funded program, certain individuals will figure out a way to take advantage of it for their own financial gain.

As an example, shortly after registering for fall semester 1977 at Western Kentucky University in Bowling Green, Ky., I was told by another veteran that I was losing money. This individual then proceeded to explain how I could enroll in a local proprietary business college, maintain satisfactory progress with little, if any, real effort, and split my VA benefits with the college.

While a certifying officer, based on experience gained, I instituted, perhaps in violation of existing VA regulations, my own policy for certifying vets. I withheld certification on a vet until he attended his first class. In this particular situation it did not pose any hardship on the veteran attempting to pursue a college degree. It also greatly reduced the requirement for submitting VA form 1999B, the form to stop VA benefits at the grassroots level. In this particular situation it posed no hardship on the vet pursuing an education.

One of the better ways to beat the system is for a vet to apply for the basic educational opportunity grant, the State grant, and apply for advance payment of VA benefits. Pocketing the VA money, the BEOG can then be used as substantiation for qualifying for public housing, food stamps and, back in 1978, special consideration for special rates on public transportation.

When this is done, VA's hands are tied for a period of time unless the school's certifying officer maintains a constant vigilance on attendance rolls and notifies VA to terminate the benefits of the vet that doesn't attend class. Gentlemen, all certifying officers in our institutions are not retired military who resent seeing fraudulent use of taxpayer's money.

Now that I have outlined a few of the problems, I wish to take the liberty of submitting a few personal recommendations on how the system may be improved. What I have heard here this morning, everyone is diligently attempting to do so. However, gentlemen, I would remind you that it is difficult to legislate honesty in an individual. The individual that sets out as his goal to take advantage of a VA educational benefit program is not the individual that is going to respond to a letter from VA reminding him he is in an overpaid status.

This individual, based on my own personal experience, is an individual whose lifestyle is somewhat different from that of ours. He or she may have moved up to three times during a quarter. When they register for college, the address they give, the telephone number they give may be good for a week. Some of these individuals will have one address where they receive good mail. By good mail, I mean checks coming in. They will have another address where they will receive bad mail or bills. This may come as a surprise to some members of the audience but not to you gentlemen on the subcommittee.

Some of the recommendations I would have personally to improve the system is that the VA should scrutinize proprietary institutions with a fine tooth comb prior to certifying them and recertify them semiannually. Many proprietary institutions are doing a good job. Some are set up primarily to take advantage of the Federal and State education programs available today, not limited to veterans benefits.

Another suggestion I would have for improving the system, gentlemen, requires the educational institution to furnish the individual veteran with a statement that the institution is/is not accredited by the Regional Association of Colleges and Universities. This statement should have a receiving endorsement by the vet and a copy be submitted to VA along with the application for VA benefits. The reason I mention this, I have had numerous veterans approach me when transferring from a proprietary college who expressed amazement when they learned that the credits they had earned would not be transferable.

There is a fine line in defining the term accreditation or a credit. Many of these institutions are accredited by an independent educational group, and if that student who earns credits at one of those institutions happens to get a transfer to another school that is credited by that independent group of institutions, he or she may transfer those credits.

If he or she transfers to an institution of higher learning that is accredited by the Regional Accreditation Association, gentlemen, the majority of the time those credits are absolutely useless. They cannot be transferred.

Another suggestion, require educational institutions to have their certifying officers attend a briefing by VA before they can certify a veteran for VA benefits. In most any institution, administrative workload is rather heavy. For some of these individuals certifying a veteran for VA benefits is one of a myriad of administrative responsibilities these individuals have. Unless they are fully aware, unless they are made fully aware of their responsibility, and again this is serving as a backup for this individual veteran who is attempting to take advantage of the system, I repeat, if he sets out to attempt to take advantage of it, I repeat he will not notify the Veterans' Administration of nonattendance of class.

This would be a check and balance in the system that I believe, gentlemen, would help reduce the amount of funds paid out to individuals who do not rate them under the Veterans' Administration program where the requirement is clear for the institution to notify the VA when that individual is not attending class.

As for the policies of some institutions that do not take attendance roles, I am sure they have their own reasons for it, but, gentlemen, it is a heck of a way to run an airline.

One other point here, I was kind of waiting to see if Commissioner Roden would mention this one, and it may be directly or indirectly related to what this committee does. I have had the privilege of working rather closely with Commissioner Roden on some of the activities within the Tennessee Department of Veterans Affairs and, gentlemen, one thing that has come to light under the existing system that places restraints on this State agency that is set up to assist veterans, presently the Privacy Act places restraints on the Tennessee Department of Veterans Affairs in being able to identify and locate veterans in the State of Tennessee. They have a mission to collect information and disseminate information, but, gentlemen, if they cannot identify and locate these individuals, it makes it extremely difficult to a system.

That concludes my statement.

Mr. **Hefner**. Thank you, Mr. Tucker, for an excellent statement.

Relative to your last remarks, I think we have taken care of some of that in the legislation we passed yesterday, and good mail, bad mail, I get all mine at the same place.

I want to thank you for an excellent statement and your concern about the abuses. We are certainly concerned about them. Over the life of these hearings, since I have been conducting these hearings, we feel like we have made some strides, maybe not enough, but, as

I mentioned earlier, up until just a short time ago if a veteran was in default of a loan, it did not restrict him from getting a loan to buy a home. Some of the exposes on television interviewed doctors, dentists and others making $70, $80, $100,000 a year who owed the Government substantial amounts of money. No efforts were being made really to collect this money, and many of these individuals felt no qualms at all about owing it. They felt like, well, we have gotten away with it. It is only the Government, not a legitimate loan. I do think we are making some strides, and we are going to continue to do the best we can to take care of some of these fraudulent practices.

I yield to Mr. Boner.

Mr. **Boner**. A good friend of mine, along with Fred, Mr. Chuck Lamb was here with you. He had to leave before you testified today. I appreciate Chuck Lamb, and I recently had lunch with the Assistant Commandant and had a chance to first-hand talk about some of the problems that the Marine, and the Marine veterans in particular, were dealing with and we very much appreciate that opportunity.

Mr. **Hefner**. Mr. Hall?

Mr. **Hall**. Mr. Tucker, do all of the certifying schools—let me rephrase that. Do all of the schools have certifying officers individually, or in some other position at a school?

Mr. **Tucker**. As for the schools other than the ones I was affiliated with, I would like to redirect that question to Mr. Bielak, or one of his representatives who would be in a better position to answer that, sir.

Mr. **Hall**. All right, fine.

Mr. **Bielak**. Yes, all schools would have a designated certifying official. That is correct.

Mr. **Hall**. All right.

Mr. **Bielak**. They may also have other responsibilities. In some instances, a designated certifying official certifying VA enrollments or changes of enrollments may be a small part of his responsibility.

Mr. **Hall**. While you are both here, I will get into this question about withholding certification on a vet until he has attended his first class, as you indicated you did, because you said that reduced the requirement for submitting this VA form 1999B which stops the benefits.

What percentage of the veterans would you withhold certification on under the circumstances that you are talking about here that would return and be bona fide students?

Mr. **Tucker**. Sir, the student that appeared there at the institution to pursue an education, it did not create any hardship on him whatsoever because a lot of these students were on the basic educational opportunity grant. If they were veterans, they were permitted to sign a promissory note with the school for their tuition pending their receipt of the VA benefits. In other words, they were continuing to enroll and start class by signing the promissory note, that they intended to pay upon receipt of their benefits, so it did not impede the students in starting class.

This in effect weeded out the individual who came in there to apply for VA benefits without any intention of attending class. It did not deter, impede, or create any hardships on the individual to further his education.

Mr. HALL. Without identifying the school, is this school in which you were the certifying officer the only one that worked it on that basis, so far as you know?

Mr. TUCKER. Not to my knowledge, sir. When I was attending class myself at Western Kentucky University, the individual veteran student was permitted to start class with the provision that he sign a promissory note for the amount of tuition pending receipt of his VA benefits.

In other words, it was at the location and this could be found in many institutions where the hardship is not placed on the veteran who does not get his advance VA payment.

For the majority of veterans, they would come in and apply for advance VA payment after the date in which advance payment could be processed anyway.

Mr. HALL. Mr. Bielak, do you feel if the certification did not take place until the veteran had attended the first class, that that would cut down on some of these overpayments?

Mr. BIELAK. I think that we now have that situation. That situation now exists except in an advance payment case where we send out payment to the school to give the veteran after he has completed his registration, and hopefully entered class.

Mr. HALL. Hopefully.

Mr. BIELAK. OK. The other situation is that we will not accept an enrollment document from the school until the registration and again, hopefully, the veteran has entered class, has occurred. We call this a confirmed enrollment.

Mr. HALL. At that time the veteran has or has not already received some money from the Government?

Mr. BIELAK. No.

Mr. HALL. He does not receive any money until you have received some instrument from the school certifying that that veteran has attended classes?

Mr. BIELAK. That is essentially right.

Yes, we in fact must have either advance pay which provides a check to the school and they do not release that check to the school until the veteran has registered and entered training.

The other side of that situation is a confirmed enrollment where the veteran has entered training, and then the school sends a confirmed enrollment document to us, and then we prepare an award to that veteran.

Mr. HALL. Are you saying what you do now is different from the way in which Mr. Tucker says he did it when he was a certifying officer?

Mr. BIELAK. When was that, Mr. Tucker?

Mr. TUCKER. From August 19, 1978, through June 1980, sir.

Mr. BIELAK. No, we really should have been doing that same thing during that period of time.

Mr. HALL. Thank you very much.

Mr. HEFNER. Mr. Leath?

Mr. LEATH. Mr. Tucker, I want to congratulate you on what I think was one of the most straightforward, candid, honest statements that I have heard since I have been a Member of Congress on any committee that I sit on. I think this is what we need more of, and I hope that the staff would take note of the way you have presented your testimony here today. It was in the great tradition of the Corps that you served in, and we could have the opportunity perhaps some time in Washington for you to be there because you have done an outstanding job.

I agree with you not to keep records on students attending is a heck of a way to run anything, and the question pops into my mind, and here again, Mr. Bielak, or someone with the VA might be able to give some insight to this, but where a school keeps no records—and I find that difficult to understand why they would not—how do the certifying officers know that the student is not attending class? In other words, it is inconceivable to me a guy could show up one time and get certified and may not show up for another 2 or 3 months before anyone knew he wasn't coming.

Do you have any insight as to how an institution that does not keep attendance records would be required, or require its faculty personnel to pass that information on to the certifying officer at the quickest possible date?

Mr. TUCKER. Sir, to answer your question, in my own personal opinion, for a certifying officer to put his signature on a certification form in an institution that does not require attendance roles, it would require one of two things: Either divine inspiration or a SWG, which is a silly wild guess.

Mr. LEATH. Mr. Bielak, do you have any comments?

Mr. BIELAK. In each school, based on the feedback that gets to me, there are many different systems for doing this, and perhaps we could get an answer for that when we have some of the school officials here.

Most of them have a built-in or followup or flash system to require a certification from the instructor that that particular veteran is still in school and pursuing his assigned program, or at least course of training.

Mr. LEATH. If the instructor keeps no records, how is he going to be able to say that?

Mr. BIELAK. He does not have attendance records, but there are a variety of things that we use in terms of what we consider pursuit. Has he turned in a paper? Has he attended class? And there are others that the instructor is able, in our judgment, to use to determine whether the veteran is in valid pursuit of his course of training.

Schools, generally speaking, do have some system, some routine followup system that requires a regular certification. I would have to think that they require a regular certification that the veteran is in training and pursuing a program of education.

Mr. LEATH. I would certainly for one agree with you that that is something we need to look into in greater depth. We would be very remiss if we assumed that every institution, proprietary or otherwise, would be figuring the best interest of the taxpayer. We would be very remiss, again, if you assume that every veteran had no desire whatsoever to rip off the VA in these things.

I want to thank you again for your outstanding testimony. And as the chairman said, we have probably, for the first time ever, perhaps, we have begun to make progress in these areas, and thanks to the leadership of Chairman Hefner. I feel like that is something that we certainly need to get into in greater detail in the future.

Mr. **Hefner**. Thank you, Mr. Tucker.

Our next witness is Mr. John Furgess, past State commander, Department of Tennessee, Veterans of Foreign Wars.

We are happy to have you with us, sir.

STATEMENT OF JOHN FURGESS, PAST STATE COMMANDER, DEPARTMENT OF TENNESSEE, VETERANS OF FOREIGN WARS

Mr. **Furgess**. Mr. Chairman, and members of the subcommittee, ladies and gentlemen, I am John Furgess of Nashville, a past State commander of the Department of Tennessee, Veterans of Foreign Wars and a Vietnam veteran.

I would like to thank my Congressman, the Honorable Bill Boner, for the invitation to appear before this important subcommittee hearing and to thank the members of the subcommittee for their diligent work and research on behalf of veterans of this country.

I bring greetings from T. C. Selman, of Freeport, Tex., who we think is the first Vietnam veteran to serve as commander-in-chief of the Veterans of Foreign Wars of the United States.

I am also sure Chairman Hefner, of North Carolina, is aware of the very excellent work being done in his home State, on behalf of veterans, by Billy Ray Cameron, of Sanford, N.C., who we think will be elected the first Vietnam veteran as national commander-in-chief of the VFW.

I totally agree with the thrust of this hearing—to seek means to prevent fraud and abuse in the education benefit program of the Veterans' Administration. Knowing firsthand of the value of these benefits, receiving education assistance in graduate work at George Washington University while on active duty, and on-the-job training assistance after leaving the military service in 1970, the Congress and the VA must jointly remedy the inherent weaknesses in the program.

I am glad Mr. Hall cleared up the fact that we are talking about $1.7 or $1.8 million in Tennessee in the last year in order to salvage the benefits for succeeding generations of veterans.

A veteran who knowingly and willingly accepts benefits under fraudulent conditions does violence to his fellow veterans, most of whom are in dire need of these very benefits. And an agency of Government that permits these acts of fraud and outright theft to continue, does violence to the taxpayers of this country—the source of funding for most veterans' care in the first place.

Our country takes better care of its military veterans than any other country in history. That care comes directly from the commitment of preceding generations—we must not let that commitment erode—generations of Americans and generations of Congressmen.

Abuses of the system of educational assistance are in the clear minority, when compared with many thousands of appreciative, and thankful, and eligible veterans who receive these entitlements. But it is the abusers who gain the notoriety and who generally put a black mark in the public's eye as regards the administration of the program by the VA—and really gain the notoriety they should.

Again, I salute this subcommittee's efforts—these people are crooks—how else can you say it—and ought to be searched out and called to account for their abuses. They are veterans in name only, and do not care one iota for the thousands upon thousands of needy and eligible veterans of America. The VFW, and this Vietnam veteran, rebuke their actions.

Your research, Mr. Chairman, may very well tell another story, as you travel throughout our country. It may reveal the desperate and searching condition of that veteran who has found an easy way to beat the system. Actions of desperate men and women often lead to crime. These are what might be called open collar crimes—so-called students receiving and cashing VA checks under false pretenses, and truly these are the toughest to police.

If desperation is their condition, I heartily encourage these young veterans to seek out a VA counselor for guidance and assistance. The system of justice tempers crime with mercy. The system can tolerate mistakes and misjudgments of good men and women, but has little solace for criminal intents of cunning men and women.

If this subcommittee feels the Veterans of Foreign Wars can assist in carrying this message to its members—some 2 million, of whom about one-third, or specifically 30 percent, are Vietnam veterans—then I am sure a joint task force of concerned citizens, veterans organizations, and agencies of Government can work together to remedy this situation and care for those "who shall have borne the battle," and who may not now know where to turn for help in these troubled, and sometimes confusing, times.

Thank you, Mr. Chairman, and members of the subcommittee.

Before that, I would like to submit also three points as part of my statement, one of which, I think, Mr. Hall cleared up. I will scratch that.

The question was whether there were $1.8 million of overpayments in Tennessee in 1 year or since this post-Vietnam education system was adopted in 1977, and the question was 1 year.

Second, I wonder if students can really notify the VA of a change in their educational status. I got the point from the presentation that the first responsibility lies with the student.

The VA, as I understand it, can only accept the school's certification that a student has terminated, or reduced a class load. Here again, are we still confused? Is the public still confused? Are the veterans still confused?

Who has the first responsibility for taking that first step—the veteran, the school, the VA?

Third, and finally, I have heard two terms almost literally bantered about that cause me great concern, and that is the term "Vietnam veteran" and the term "Vietnam era veteran."

I just wish there was some way this subcommittee, and indeed the entire House full committee, could break out some of these figures of abuse specifically and find out how much of these abuses are perpetrated by Vietnam era veterans; that is, the veterans who did not serve 1 day in Vietnam, Southeast Asia, or were the perpetrators, in fact, Vietnam veterans who served 365 days or more in a combat zone.

The Vietnam era veteran could very well have served in Korea or Germany and never have been fired upon in anger, and I guarantee you, based on my 1-year's experience in Vietnam with the U.S. Army, I saw more "Fred Tuckers" in the combat zone than I saw people represented in television and in Hollywood as representative of the Vietnam veteran. You gentlemen can go a long way to helping clear up that problem now for the good of your constituents that happen to be Vietnam veterans as opposed to Vietnam era veterans. I ask that you would take some consideration of trying to break out these figures.

Also, the black veteran needs to be mentioned. The black veterans that I saw in Vietnam did their job remarkably, as did the Caucasian and Spanish, and so forth. The term "black veteran" has not been mentioned this morning. Maybe it will be mentioned later. In my own experience in Tennessee, we direly need to reach out for more active participation of black Vietnam veterans, thousands who served in Vietnam, who are not active in the organization, in the DAV, the VFW. Possibly with organized support, they would be made better aware of their benefits and entitlements as veterans.

Mr. Chairman, are there questions for me?

Mr. **Hefner**. First of all, I would like to agree very strongly with you that the abusers, not only in veterans' benefits, but the abusers are the ones who give all programs a bad name and jeopardize all programs. The abusers in the food stamp, welfare, veterans' programs, whatever, home loan programs, the abusers are the ones who jeopardize entire programs, and there are many needy people that suffer simply because you have the small minority in all these programs that are the abusers. Those are the people we are trying to reach.

One of the reasons that we have not specifically mentioned the black veteran here this morning is because our committee tries to legislate benefits for veterans, period. Veterans are veterans in our sight, and they are just that. They are veterans who offered their services and the sacrifice for this great country. I will still go back to my former statement. We went to New Jersey, to California, to Atlanta, Ga., because we had high instances complaints about high unemployment, and we had the programs that the State labor departments had put together to try to reach these veterans that were so-called falling through cracks, not taking part in any of the programs that were available to them.

We would like to know why and how to reach these veterans, but we just refuse to go and fragment veterans programs to try and set up so-called pilot programs that in our opinion have no merit. We are very desperately trying to find out why the veterans are not taking part in the programs that are available to them, whether they be Vietnam or whatever. I guess that is the reason you have not heard the reference to the black veteran, because on our committee, veterans are veterans to us, and we try to legislate programs that will be beneficial to all veterans, and what they qualify for, they are certainly welcome to.

I appreciate your concern, and it is people like you that keep us on our toes and are responsible for the good things that get done as far as veterans are concerned. I appreciate your presence here and your concern and your statement.

I yield to my colleague, Mr. Boner.

Mr. **Boner**. I have no questions of my good friend, John Furgess, but to say he is a very loyal veteran and has communicated with me on many occasions. In particular, he took the effort to call to make sure that we provided the necessary pay plan for the medical positions in the Veterans' Administration.

I certainly appreciate him and what he has done and his leadership across the State for the VFW. I appreciate you being here and your candid remarks and your suggestions to us.

Mr. **Hefner**. Mr. Hall?

Mr. **Hall**. Mr. Furgess, I also would like to compliment you on your statement and also your remark with reference to T. C. Selman, whom you know is ill in Houston.

Mr. **Furgess**. He has had open-heart surgery in Houston.

Mr. **Hall**. Very fine gentleman. I agree with what you say about the designation about Vietnam and Vietnam era. There is a great distinction.

These people who were granted amnesty, they were the Vietnam era; but I don't consider them very highly in any respect, and I may be like Mr. Tucker. I may be violating some rules, but when I get letters from people who were granted amnesty, making some complaint about the VA system, when I find out their background, I just tell them to go back to Canada and let Canada help them out with their problems, and that is the way I have handled it up to this point.

Until some higher authority tells me to quit, that is still going to be my stock answer to that bunch that were granted amnesty.

Mr. **Furgess**. Mr. Hall, concerning the judicial review——

Mr. **Hall**. I am glad you brought it up.

Mr. **Furgess**. The reason the Veterans of Foreign Wars have traditionally opposed judicial review down through the years on a national level is the firm feeling that the VA system of appeals is strong and fair, and that the courts then would merely bog down this question of appeals and make it very, very expensive for the veteran involved. I think for those two reasons it is probably why the VFW has opposed this change in the law at this time. I understand, however, that at our most recent convention held in Chicago this past August that a resolution was approved to support legislation for a limited review of VA decisions denying veteran claims. I am sure this resolution will be presented to your committee at the appropriate time.

Mr. **Hefner**. Mr. Leath?

Mr. **Leath**. Thank you, Mr. Chairman.

Mr. Furgess, I want to congratulate you also for what I consider to be a very outstanding statement and would just reiterate one more time that as the chairman has said, one of the great problems we have in our country today is the fact that we have so many programs for so many people that we do have a tremendous amount of abuse, and anyone who fails to recognize that either does not know the situation or is not quite telling the truth.

I appreciate your candidness in recognizing this, and I believe very strongly this abuse hurts those who actually do need the assistance. I tend to think that collectively throughout the Government, it runs into many billions of dollars, and in the short time that I have been in Congress, one of the things that I have observed is that although every standing committee of the House and Senate has oversight jurisdiction, oversight committees, it is their responsibility to see that programs that they authorize, legislate and appropriate are, in fact, reaching those whom they intended to reach in doing that job.

I find a laxness within the legislative body of doing this, and that is one reason I am delighted to be on this committee, which, as I have said, has been recognized as one of the outstanding committees in the Congress. I believe that if we can get all the committees of the Congress to begin to take oversight responsibility as we are seeing here today, where we get down to the grassroots and people that are going to tell you the truth about these problems, and we, from a legislative standpoint, begin to try to correct that, we will all be in better shape, those that need the benefits and other worthy welfare recipients. So thank you so much for your testimony.

Mr. HEFNER. Thank you, Mr. Furgess.

Our next witness is Mr. George R. Hunter, director of veterans education, Tennessee Department of Education.

STATEMENT OF GEORGE R. HUNTER, DIRECTOR, VETERANS EDUCATION, STATE OF TENNESSEE DEPARTMENT OF EDUCATION

Mr. HUNTER. I have two of my staff members with me today that I would like to introduce, Mr. Bob Purnis, and Mr. Lawrence Bartlett. My statement is brief, and I will try to give some time for questions at the close.

I consider it a privilege and indeed an honor to be requested to appear and testify to this congressional subcommittee representing the U.S. House of Representatives Committee on Veterans' Affairs.

To you Congressmen, Bill Hefner, North Carolina, Sam Hall and Marvin Leath, Texas, I wish your brief visit to the Fifth Congressional District of Tennessee to be pleasant as well as beneficial to you as representatives of your home districts and your work as Congressmen.

I must say to you that most people visiting or on temporary work assignments to our beautiful and dynamic State usually stay or at least return at a later time to make their home here.

To you, Congressman Bill Boner, it has always been my pleasure to know you as an exemplary and outstanding scholar and athlete as well as a legislator and Congressman with a keen interest in education on all levels. Thank you for again coming home to hear from your people.

I wish also to express my appreciation and gratitude to all my colleagues present here who, through their efforts, have cared for the needs of veterans in Tennessee by assuring that transition from wartime military service to civilian life of tens of thousands of Tennessee veterans has been in the best interests of the veterans. Dusty Roden, Tennessee Commissioner of Veterans' Affairs;

Bob Bielak, director of the Veterans' Administration regional office in Nashville, Tenn., and the leadership of veterans' organizations are commended for their work with veterans, which is always in the best and highest tradition.

The efforts of the House Committee on Veterans' Affairs has reflected a deep concern for those who have borne the brunt of battles to preserve our freedoms in this great country. Public laws enacted and contained in title 38, United States Code, reflect a great concern for the veteran, his family, war widows and war orphans. I personally feel assured that your efforts will remain as dedicated until all veterans are duly compensated through the various means and resources available to you.

Gentlemen, the authority for the agency which I direct is taken from section 1771 of title 38, United States Code, which allows Governors of the several States to designate an approving agency to assure quality training for veterans. The function of the veterans education section of the Tennessee Department of Education—generally referred to as the State approving agency—is to approve, revise approvals, disapprove and withdraw approvals of courses of training provided to veterans and other eligible persons under laws administered by the Veterans' Administration.

Additionally, monitoring of approved courses is an ongoing process. Courses of training are on all levels: College and university; vocational and technical school; secondary school and apprenticeship, and other on-the-job training.

At present in Tennessee, 105 institutions of higher learning offer approved degree-granting programs in which veterans and other eligible persons are enrolled; 130 non-degree-granting schools offer in excess of 800 approved courses; and 510 business and industrial establishments offer apprenticeship or other on-the-job training programs. This is a matter of record, and two of the members of this subcommittee are not present but, with your indulgence, I will speak briefly to the funding of the State approving agencies.

State approving agency functions have historically and traditionally been supported by funds on a contractual basis from the Veterans' Administration. This March 1980, State approving agencies were advised that funds for the fiscal year 1980-81 would be reduced from $17.8 million as in the original Veterans' Administration budget proposal to $9.0 million in the revised budget proposal.

Gentlemen, we support strongly the effort by the executive branch of the Federal Government and the Office of Management and Budget to balance the budget; we support strongly the reduction of the Federal budget by $16.2 billion. However, we as strongly object to the reduction of funds for approving agency functions by near 50-percent and feel that a near 50 percent reduction of funding is a disproportionate share of the reduction and should be remedied.

State approving agencies have been informed by the Veterans' Administration that apprenticeship and other on-the-job training approval functions will be assumed by Veterans' Administration officials on October 1, in the event funds are not restored sufficiently to allow State approving agencies to continue with approvals.

Your assistance, gentlemen, is requested and needed in this matter. It is my understanding that appropriations committees of both Houses of Congress at this time are considering equitable restoration of funds for this very important task.

I sincerely hope that this item I mentioned does not go unnoticed by this subcommittee here, and anything that can be done in Washington on the Federal level by the Appropriations Committee will be greatly appreciated.

As to overpayments to veterans, it is fair to state that in Tennessee much has been done subsequent to midyear 1975 to diminish appreciably overpayments of educational allowances to veterans. The establishment of laws and regulations concerning standards of progress of veterans have accomplished much; the 50-percent substantiation of employment of graduates in vocational courses has been helpful; detailed compliance surveys by Veterans' Administration officials, along with continued and refined supervisory efforts by State approving agency staff, have produced excellent results in Tennessee.

Further, and more important than those efforts previously mentioned, has been the continued full cooperation of institutional officials and administrators across the State of Tennessee. For the sake of emphasis, I personally feel that no State can match the attention to details of veterans' progress and reporting timely to the Veterans' Administration as that of school officials in Tennessee who manage record depositories.

Much overpayment in the past has been due to advance payments. Much has been due to withdrawal of veterans from courses in emergency situations. Much has been due to use of data-processing equipment which must be programmed manually, and, of course, much has been due to normal time required in notifying Veterans' Administration by school officials. If my computation is correct, some $106, as an average, and I may stand corrected on this, was overpaid to the average veteran in training in Tennessee last year. Our goal must be to prevent overpayments. All phases of the payment process must be upgraded and better managed in order to reach that goal.

Thank you, Congressman Boner and Chairman Hefner, and other members of this subcommittee, for affording me the time to make these remarks. In the event time permits, I will gladly answer some questions.

Mr. Hefner. Thank you for your excellent statement.

I would like to say there is better than $8.8 million for State approving agencies that has been put back into the appropriations bill for the Veterans' Administration for fiscal year 1981 by the Senate, which was not in the House version. The $8.8 million was not requested by the administration. I am hoping that Mr. Boland, who is chairman of the Appropriations Subcommittee, will be able to see that this money stays there, which would be a great help to you.

Mr. Hunter. We would appreciate that so much.

Mr. Hefner. I know we all share the concerns about the overpayments. You have heard a description of the bill, H.R. 5288, that we passed yesterday morning, and I am hoping that this is going to be of some assistance to you. If you have any other suggestions that you would like to make, or recommendations, and want to submit them for the record, we will take that into consideration, also. I want to thank you for your excellent statement.

At this time, I yield to my colleague.

Does the gentleman have any further questions?

Mr. **Boner**. I would like to say, George, I certainly appreciate the relationship we have had and appreciate you taking the time to come. I know that you have a very busy schedule and your comments here are appropriate.

As Chairman Hefner said to you, there is an effort to put the $8.8 million back into the program. It is in conference committee now. I am hopeful it will be put back in.

Mr. **Hefner**. Thank you, sir.

Our next witness is Sister Mary Reginald, registrar and director of financial aid—and I hope I get this name right—Aquinas Junior College, Nashville, Tenn. We are certainly happy to have you with us today.

STATEMENT OF SISTER MARY REGINALD, REGISTRAR AND DIRECTOR OF FINANCIAL AID, AQUINAS JUNIOR COLLEGE, NASHVILLE, TENN.

Sister **Reginald**. Thank you, honorable Members of Congress and Veterans' Administration representatives.

Based on the belief that there is nothing small in the service of God and one's fellowman, we at Aquinas Junior College believe that the vocational assistance which the Congress has afforded veterans and their dependents is a service of utmost importance to mankind. Although our numbers may be small, we feel our quality is great.

We commend the VA for encouraging veterans and children of veterans to seek educational opportunities that will allow them to be formed by value-judgments and to be educated to take an active part in the construction of a community through which the building of society is promoted.

We feel the personnel in our Nashville office is doing a terrific job. Nevertheless, we are aware of the many problems that exist and obligations that have been raised concerning the improper use of VA funds. This issue is really part of a much wider problem which faces all institutions in our society today; namely, insufficient staffing and a lack of money.

It is clear that every institution has an obligation to review its administration of programs, rules, and regulations governing those programs and its process used in recordkeeping and reporting. Any institution which neglects this duty hinders the programs it attempts to provide to meet the needs of our contemporary world.

The $2 billion or more that is expected to be paid by the Veterans' Administration for veterans and their dependents for education and training is money that must be taken seriously. It is very easy to give away someone else's money.

Many of the problems we experience today begin with the words "give me." The money problem in our rapidly changing society is a serious one for almost everyone. Let us not restrict our educational activities to wealthier social classes, thus giving an impression of social and economic discrimination in education.

It is obvious that the overpayments presently totaling over $400 million is distressing to the committee. Perhaps it would be well for us to ponder an issue at the grass roots level that may contribute to this abuse; namely, that of advance payment.

According to the aims of the Veterans' Administration, advance payment of educational assistance allowance is intended to help students meet school-related and other expenses which are concentrated at the beginning of a term.

Since the enrollment certification is received in the VA at least 30 and not more than 120 days in advance of enrollment, this can pose some real administrative problems at the grass roots level. For example, a student is accepted by the institution and applies for advance payment. The VA check is forwarded to the school by the time of formal registration. The veteran goes to the business office to pick up his check. The personnel in the business office may not be informed as to whether the student is actually enrolled, but because a VA check has been sent to the institution, it is presumed that he is registered. The student who receives the money but never attends classes at the institution, who signs up at the institution and maybe may attend one or two classes and then drops out, and this is after he has received his check. Most distressing to the VA must be the problem of collecting these overpayments.

Are advance payments really feasible? Being a small college, we do not experience the significant number of problems that must arise out of this regulation.

Perhaps it would be well for the subcommittee to explore more equitable ways of dispensing Government funds for these payments.

We do commend our regional VA office for their telephone confirmation of enrollments in the case of advance payments. On the other hand, we propose to recommend that the Committee on Veterans' Affairs take a close look at the issue of advance payments. This regulation seems to represent a high money risk for the Veterans' Administration. Could this be a major contributing factor to the missing $400 million?

To favor radical changes in VA regulations that one might conclude will solve all money problems would be a dangerous illusion. Every educational enterprise involves the risk of failures. True results often have to be calculated on a long-term basis.

Loyalty to the aims of the Veterans' Administration is the basic motive which must inspire any needed reorganization, rule, or regulation changes. The cooperation required for the realization of this goal is a duty in conscience for all who administer VA funds, recipients of veterans' funds, and all in administrative and judicial roles.

We at Aquinas recognize and praise the outstanding cooperation we have experienced in working with our local Veterans' Administration. We also extend our warmest and heartfelt encouragement to all of you who work so hard to provide educational opportunities to veterans and their dependents.

Thank you.

Mr. **Hefner**. Thank you, Sister, for your very good statement. We certainly appreciate your taking the time to come and appear before this committee. I will yield at this time for a question from my colleague, Mr. Boner.

Mr. **Boner**. Sister, one question I would like to ask.

I am aware of the track record that Aquinas Junior College has, which is very good in the payments it receives, and the very minimal amount of misrepresentation that takes place. What is it that your institution does that you think is different that gives you such a high efficiency level? What do you do that you could tell us that we could tell the other institutions to do?

Sister **Reginald**. One thing we are very specific about is attendance at classes. We do require, and the students know this who come to Aquinas, that attendance is very important to us, as well as for their own educational benefit.

The professors at the institution are also given a list of persons who are veterans, and they are to keep tabs on those students, as well as other students, but especially those; they are to notify our office if those students are not in attendance.

Now, this is not just for VA. We do it across-the-board for everyone. It is just to make them aware of who these VA students are, and our need to notify the VA, you know, in case of nonattendance, or if they should drop out of a course.

Mr. **Hefner**. Do you have a periodic check, or as soon as you are notified that this student has missed *x* number of times, or you have reason to believe that they are out, do you inform the VA immediately?

What kind of system do you use for that?

Sister **Reginald**. First of all, once the list goes to the individual professors, then I assume the responsibility after the third class period, usually before that, but definitely after the third period, that that particular class meets, whether it be a night class or a day class, I assume the responsibility of contacting professors who have veteran students to make sure those students are in attendance.

Once we do this, then we feel like we do it again mid-term, if not sooner. It is our clear understanding on the part of everyone on the faculty that this is the necessary thing, as far as your administrative role is concerned within the school; so we do see that as something very important and once they notify us, we notify the VA. We usually contact them by phone, and then we forward the necessary forms after that.

Mr. **Boner**. No further questions.

Mr. **Hefner**. Mr. Hall?

Mr. **Hall**. You have one item in your statement that I would like to ask you about, if I may. First, what is the enrollment of your college?

Sister **Reginald**. 287 students.

Mr. **Hall**. You talk about the advanced payments and whether or not they are really feasible. You state that—I am looking at the bottom of page 2—for example, a student is accepted by the institution and applies for advance payment, I am assuming we are dealing with your school.

Sister **Reginald**. That is right.

Mr. **Hall**. When that student is accepted by you, what is the next thing that you do?

Sister **Reginald**. First of all, the student is accepted by the dean of admissions. We have a preregistration period, usually only a few days prior to our term.

Prior to our own term beginning, for instance, a student may preregister in a summer session that they would like to attend in the fall. We do not assume that as any type of registration, as such. We have registration for the fall term in August.

A student who is an eligible veteran at that time fills out, or I fill out for that student, a certification form which he has to have in the office—it is my understanding—in order for him to get an advance payment. We have only had a few cases—in fact, only two, to my knowledge, and both of them did not work out.

Mr. **Hall**. OK. You say that since the enrollment certification is received in the VA at least 30 and not more than 120 days in advance of enrollment, well, are you stating that they are certified before they enroll in your school?

Sister **Reginald**. They enroll. They are certified, but whether they attend class or not after they have already received the check, the only way we know they don't attend class is by our records.

Mr. **Hall**. Well, would they receive the check prior to that 120 days or prior to their enrollment?

Sister **Reginald**. In the two cases that we had, that I have dealt with, both received the check prior to the day that they even entered classes.

Mr. **Hall**. I assume when the student is accepted by the institution, and I am again assuming that this is the procedure used in all of the schools, that when a student is accepted by the institution, then the institution notifies the Veterans' Administration, which could be at a time many weeks prior to enrollment. Is that correct?

Sister **Reginald**. I can only speak from my own experience at our institution.

Mr. **Hall**. Would that be a correct statement?

Sister **Reginald**. OK. I will give you an example. We would have formal registration. Let's say, a veteran comes into my offices and he says he wants to enroll for the fall, and he wants to enroll for advance payment, and he has already talked to the academic dean; he will be taking 14 credit hours, and he is given a list of the subject material that he will be taking for those credit hours.

Mr. **Hall**. All right. Is that when that student is accepted by your school?

Sister **Reginald**. That is when he is accepted by the school.

Mr. **Hall**. At that point, do you contact the Veterans' Administration that he has been accepted?

Sister **Reginald**. He has been accepted, but his enrollment date is the beginning date of our school term.

Mr. **Hall**. But after you notify the Veterans' Administration, I suppose they will issue a check which will be sent to your school to be delivered to this veteran at a time before the veteran has really enrolled.

Sister **Reginald**. Correct.

Mr. **Hall**. Now, that veteran, from the time that he is accepted and from the time that he enrolls, could change his mind and go other places, could he not?

Sister **Reginald**. He could.

Mr. Hall. That advance payment has already been made.

Sister Reginald. That is correct, but he can also change his mind after he attends one class and has already received the check.

Mr. Hall. All right. Thank you very much.

Mr. Hefner. Mr. Leath?

Mr. Leath. I want to thank you for a tremendously good statement, and I think your record, which the committee was aware of before we came, is one that we wish every institution in this country could have. I think you have very perceptively gone right to the heart of what may be the problem that we have, as far as these prepayments are concerned. It certainly lends a great deal of credibility to the fact that we need to look into this system a great deal further. I would thank you for your service, not only to those students, but also to the taxpayers of this country.

Sister Reginald. Thank you.

Mr. Boner. One comment since you were inquiring about my past activities. Aquinas Junior College is one of the leading junior colleges in this community, middle Tennessee.

Mr. Hefner. Without further question, we would like to thank you for being with us.

Our last witness, and we certainly appreciate all the witnesses' indulgence with us and some of the lengthy questions from some of my colleagues, but there are very probing questions and questions I think needed to be answered. I think this has been one of our best hearings.

Our final witness is Mr. Julius Hill, director of veterans' affairs, Tennessee State University, Nashville, Tenn. We are happy to have you before the committee.

JULIUS HILL, DIRECTOR OF VETERANS' AFFAIRS, TENNESSEE STATE UNIVERSITY

Mr. Hill. Thank you, sir.

To this distinguished Subcommittee on Education, Training, and Employment, I greatly appreciate this opportunity to present my views as director of veterans' affairs at Tennessee State University on the various veterans educational programs.

If I might start with a positive note, this past week I was in Washington, D.C., attending a minority veterans program convention; and after talking to a number of program administrators and their relationships with the Veterans' Administration, I would like to say we are very fortunate to have the Nashville VA, and the outstanding job that it is doing.

Oftentimes, we as citizens forget that the Veterans' Administration is composed of many offices and people. Anytime there are a number of people, there are quite naturally going to be mistakes. But from my past experiences with this veterans' agency, I have found them to be very cooperative in resolving problems which might arise in relation to veterans. As I mentioned, there have and will be mistakes, but, on the whole, I see this agency facing its mission of serving veterans with a sincere heart.

The educational programs we are to discuss today are, in my opinion, serving a worthwhile purpose, not only for the recipients but the country as a whole. No one can argue that the benefits of education are not far-reaching.

Aside from the programs enabling many veterans and dependents an opportunity toward an educational pursuit, and the many personal and humanitarian rewards that come with successful completion of these pursuits, there is a rainbow phenomenon which we often overlook. These educational programs are as a rainbow, in that they fulfill a commitment that our great country has made with our many deserving veterans.

There are some areas of concern that I believe would benefit from your review in raising the level of effectiveness of the educational programs of veterans. My first area of concern would be with the computerized target system. There seems to be a lot of downtime in regards to this system, and I mean when veterans or program administrators call into the regional office to get information on benefits, the computer is down, and they are unable to get this information. This causes us problems in terms of veterans who really want to know what is happening in terms of his records and things of this nature.

Before I move away from that, if we look in terms of where our country is going in terms of computerized information systems, it is necessary that we have a system which can provide needed information, but it must provide it in a reliable timeframe.

Another area of concern is the post-Vietnam era veterans educational assistance program—chapter 32. We have not had a great many veterans enrolling in our institution under this program; however, for the few who did enroll under this program, there was a great delay in the payments of their benefits.

In talking with persons in the Veterans' Administration, I was informed the chapter 32 program is processed manually, thus creating the longevity between application and payment. I have seen many veterans disappointed because of this time factor, and rightfully so. If the post-Vietnam era veteran educational assistance program is to work, there will have to be more expediency put into the payment of veterans.

Timing has been the underlying reasons for my concern on the two above areas and the next as well. It is often necessary for veterans to be counseled in the VA Vocational Rehabilitation and Counseling Offices before they can receive benefits for educational pursuits. For those veterans who make appointments with the VA counseling office at least 30 days prior to the start of an enrollment period, the visit can be beneficial.

But for those veterans—those that will need counseling who decide to continue their educational pursuit less than 30 days prior to an enrollment period, the wait they experience may cause a hardship which could inhibit a successful and active educational pursuit.

I believe mechanisms must be initiated to facilitate those veterans needing counseling. If more counselors are needed or if there is a need for outside contracts with university counseling services, these needs should be met.

I mentioned time in this previous discussion on this in that when we talk about overpayments and liability, we know that there are always going to be some bad apples in any bunch, but a lot of the time situations arise which tend to make people go into a wrong direction in terms of those checks.

I have witnessed some students who have enrolled for educational benefits and, because of the lateness of their checks, it has really caused them hardships in terms of them meeting their family responsibilities. In one case in particular, a veteran student had signed up and it was maybe 2 months before he got a check. In the meantime, he had to pay his rent and he got a job to help supplement his family.

Well, while he was working, he fell behind in his classes, so then when his checks started, he quit school. He reported it to our office, but at the same time, in terms of making that report to the VA, the 30-day term caused an overpayment, so he is kind of caught between a rock and a hard place in terms of meeting his family obligations and, at the same, time doing what is right. I make no bones about the overpayment in terms of the seriousness of it and what it is doing to this country, but we need to look at all avenues in terms of the problems that could be involved in the issue.

In closing, I would like to speak to the issue of VA overpayments. There is a direct correlation between VA overpayments and the unemployment rate of veterans. Veterans, especially minority veterans, have faced the problem of unemployment since their return from active duty. Until renewed emphasis is directed towards finding these veterans suitable employment, the problem of overpayments will, by and large, be with us.

The members of this distinguished subcommittee have a tremendous task before you, but through your untiring efforts will come the fulfillment of this country's commitment to our veteran population.

Mr. Chairman, that concludes my testimony. Thank you again.

Mr. HEFNER. Thank you, Mr. Hill. We appreciate you being with us here today, and we share your concerns about the high unemployment figures. We share your frustrations. It is a very difficult job for us to try to find the solutions, and we hope we are making some headway in finding some of the solutions and curing some of the problems it has.

We certainly want to make the programs more effective, and for those who qualify, we want to find out why there are not more people applying for these benefits, why there are not more willing to go. We certainly don't want to be unfair and penalize anybody or be unfair to any veteran; so it is a very difficult task.

We are going to continue to work, and, through testimony like that we have had here today, hopefully we can come to some consensus and get us on a road to a sound program that is going to be better for everybody, for the colleges, the veterans, and for the administrators, and will make everybody's job easier.

I will yield to my colleague from Texas, Mr. Hall.

Mr. HALL. Mr. Hill, I, too, would like to thank you for your very fine presentation, and it brings to my mind the fact that you are affiliated with a very large university as compared to the very small college that we heard from immediately prior to your testimony, and we heard the testimony with reference to two or three veterans being involved in that junior college program.

How many veterans do you have involved at Tennessee State?

Mr. HILL. Approximately 745.

Mr. HALL. You heard me ask the lady about the time of enrollment and the check there. What is your understanding as to how this could be handled in the payment of that first check that would still take care of the needs of the veteran, and also protect the interest of the Veterans' Administration?

Mr. **Hill**. I believe we are talking about the advance payment. I like the concept of the advance payment in that it does provide the necessary monies for the veteran student to get off to a smooth start in his educational pursuit.

One thing that could help in terms of the distribution of those advance payments would be if those checks could be issued during registration.

Mr. **Hall**. During registration?

Mr. **Hill**. Yes; as much as possible. At my institution, oftentimes we will get a veteran who might have indeed a hardship that would require him to get it before, but we try to hold it until the registration date, so at least we will see some registration material showing he is enrolling in school.

Mr. **Hall**. Do you keep an attendance record at Tennessee State?

Mr. **Hill**. That is left to the discretion of the instructor. In terms of veterans, we are on a computerized system, also, and each veteran has a "V" placed beside his name.

Mr. **Hall**. What method do you use to determine whether or not a veteran has attended classes?

Mr. **Hill**. We rely on the instructors who are actually in the classroom. That is where we get our support in terms of attendance records.

Mr. **Hall**. Do you have a very large turnover record at your university with reference to students who may enroll, receive this advance payment, but never come back for their classwork?

Mr. **Hill**. I don't see a big turnover. I know for sure we had one last semester. A student came in, got his advance payment check, and we have not seen him since.

Mr. **Hall**. I see. Thank you very much.

Mr. **Hefner**. Mr. Boner?

Mr. **Boner**. Mr. Hill, what do you think, what recommendation would you make, what recommendations can Tennessee State make to improve the ability of diminishing the overpayments that we have, outstanding indebtedness, where people either drop out or continue.

What recommendation could you have at Tennessee State to improve their ability to collect?

Mr. **Hill**. In terms of my institution, itself, the only thing I could suggest would probably be to report it at a much faster pace. You know, we try to report it as fast as possible, but that causes problems still with the mailing and sending it to the VA and the VA getting in the process. We try to comply with VA regulations concerning any change in the student status. That is about it.

Mr. **Boner**. OK.

Mr. **Hill**. I would like to add, though, in terms of class attendance, I think that that, too, is a good suggestion. I also would like to refer back to 1976 when there was a re-enforcement of VA rules and regulations, and in looking at the grades from students prior to 1976 and looking at them now from 1976 on, there is a marked increase in terms of grade point average, prior to 1976, when the certification was rather lax, and through the period from 1976 until now, where there is more emphasis placed on veterans in terms of what they are doing and what programs they are in.

Mr. **Boner**. I have nothing else.

Mr. **Hefner**. Mr. Leath?

Mr. **Leath**. Mr. Hill, I want to thank you for your outstanding testimony and thank you for Ed "Too Tall" Jones. I hope you are grooming a few more like that to send to Houston and Dallas.

Mr. **Hill**. All right.

Mr. **Hefner**. If there are no further questions, that concludes our hearing. For those witnesses who were here earlier, we want to thank you for your participation and your excellent statements. Hopefully, these hearings will be constructive and help us in our work and help, as I said earlier, the VA and the colleges and veterans over all to do a better job. Your comments will help us to legislate better and more soundly for the benefit of veterans so that the taxpayers' money can be used more wisely and for the benefit of more Americans. Thank you all for being here.

Congressman Boner, I want to thank you for the way your staff has responded and made this a very pleasant stay for us here in the Music City Capital of the World. It is a great pleasure to be here in Nashville today.

Mr. **Boner**. I think one of the real benefits to having a public hearing and having our subcommittee come down is to let the people in Washington and those of us who vote on the issues understand at the grassroots level what some of the problems are and what we think some of the solutions are. I am convinced that hearings like this, as we have conducted others across this Nation, will be beneficial.

I am also convinced that I don't know wherever you could go across this Nation that you will find a group of people, both Government employees for the Veterans' Administration, as well as those veterans and the associations, who are any more concerned, and who care any more and wish to do any more than our veterans, and those who work with the veterans in the Fifth District of Tennessee. It is an honor to be the spokesman for the veterans across this State.

We are most appreciative of the fact this committee has seen fit to meet here. About a year ago Max Cleland came to Nashville, and we showed him how we perform a very efficient service for the veterans in the Fifth District of Tennessee. I want this committee to feel free to come back at any time, because we are convinced that Nashville has a lot to offer a lot of people, and we want all three of you to come back as long as you don't have any plans to run for Congress from here.

Mr. **Hefner**. Without further comments, the subcommittee stands adjourned.

[Whereupon, at 1:10 p.m., the subcommittee adjourned, to reconvene subject to the call of the Chair.]

[The following information was submitted subsequent to the hearing.]

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SIXTY-SECOND ANNUAL NATIONAL CONVENTION OF THE AMERICAN LEGION
BOSTON, MASSACHUSETTS, AUGUST 19, 20, 21, 1980

RESOLUTION: No. 301 (Ohio)

COMMITTEE: Veterans Affairs and Rehabilitation

SUBJECT: To assure that increases in educational and training assistance allowances under Chapters 31, 34, 35, and 36 of title 38, USC, are consistent with increases in the cost-of-living

WHEREAS, increases in vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special assistance payable to eligible veterans and persons under Chapters 31, 34, 35, and 36 of title 38, United States Code, have not kept pace with the cost-of-living increases over the past several years; and

WHEREAS, the Consumer Price Index continues to increase at a substantial annual rate thus making it difficult for veterans and other persons under the educational programs to continue or complete such programs; and

WHEREAS, without continued increases in these allowances to keep pace with the cost-of-living, it can be expected that a large majority of those persons now engaged in education or training will have to forego or modify their plans to pursue programs of education or training under the foregoing provisions of title 38, United States Code; and

WHEREAS, The American Legion is very concerned about the continuing economic and readjustment problems, and the unemployment of the Vietnam Era veteran, and realizes that the aim and purposes of educational and training programs is to provide such veterans with the career development needed to enter the employment field; now, therefore, be it

RESOLVED, by The American Legion in National Convention assembled in Boston, Massachusetts, August 19, 20, 21, 1980, that The American Legion continue to exert every effort possible to assure that those veterans and other persons engaged in education and training programs under Chapters 31, 34, 35, and 36 of title 38, United States Code, shall be provided an adequate and realistic increase in monthly payments to keep pace with cost-of-living increases.

APPROVED WITH AMENDMENT

SIXTY-SECOND ANNUAL NATIONAL CONVENTION OF THE AMERICAN LEGION
BOSTON, MASSACHUSETTS, AUGUST 19, 20, 21, 1980

RESOLUTION: No. 439 (Minnesota)

COMMITTEE: Veterans Affairs and Rehabilitation

SUBJECT: Support legislation pertaining to the Vietnam veteran consistent with those provided to all previous returning war veterans

WHEREAS, the Vietnam veteran has returned to this country under many hardships both in social acceptance and employment and, in many cases, a very hard and trying rehabilitation period; and

WHEREAS, the Vietnam veteran, in most cases, fought in a war that was thought by many to be unnecessary and unjustified; they performed their responsibilities proudly and with honor, representing their country as well as any returning veteran and are proud of their service to their country; and

WHEREAS, the Vietnam veteran is the future of The American Legion; now, therefore, be it

RESOLVED, by The American Legion in National Convention assembled in Boston, Massachusetts, August 19, 20, 21, 1980, that The American Legion go on record to support benefits and legislation pertaining to the Vietnam veteran consistent with those given to all previous returning war veterans in keeping with The American Legion policies and principles.

APPROVED

SIXTY-SECOND ANNUAL NATIONAL CONVENTION
OF
THE AMERICAN LEGION
AUGUST 19-21, 1980
BOSTON, MASSACHUSETTS

RESOLUTION NO. : 430

COMMITTEE : ECONOMICS

SUBJECT : SEEKS FUNDING FOR INCREASED EMPLOYMENT SERVICES FOR DISABLED AND OLDER VETERANS

WHEREAS, The American Legion has always been deeply concerned with the specialized needs of the disabled and older veteran, as evidenced by long standing employer awards and other efforts; and

WHEREAS, The advancing age of World War II and Korean veterans is creating serious employment problems for these veterans, especially during the current recession and lay-offs, and disabled veterans nearly always encounter employment difficulties; and

WHEREAS, The responsibility for providing specialized services to meet the employment problems of disabled veterans and older veterans has been given to the U.S. Department of Labor, its Veterans Employment Services, and the State employment agencies, now therefore be it

RESOLVED, By The American Legion in National Convention assembled in Boston, Massachusetts, August 19, 20, 21, 1980, that The American Legion urge the U.S. Department of Labor, its Employment and Training Administration, the Veterans Employment Service, and the State employment agencies to increase and intensify and make more effective employment services to disabled and older veterans; and be it further

RESOLVED, That The American Legion request Congress to provide adequate funds so that the designated Federal and State agencies can fully comply with their responsibilities to serve the specialized employment needs of disabled and older veterans.

SIXTY-SECOND ANNUAL NATIONAL CONVENTION
OF
THE AMERICAN LEGION
AUGUST 19-21, 1980
BOSTON, MASSACHUSETTS

RESOLUTION NO.: 130

COMMITTEE : ECONOMICS

SUBJECT : IDENTIFICATION OF VETERANS AS SIGNIFICANT SEGMENT IN COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

WHEREAS, It has been the policy of the Government of the United States, since our government's inception, that veterans' employment needs shall receive first priority; and

WHEREAS, Those current employment needs may very well be served through the Comprehensive Employment and Training Act (CETA), but current CETA law and regulations do not adequately address those employment needs which are critical to veterans, especially disabled, Vietnam era, minority, and older veterans; now therefore be it

RESOLVED, By The American Legion in National Convention assembled in Boston, Massachusetts, August 19, 20, 21, 1980, that The American Legion seek legislation to add to the priorities now identified as significant segments in CETA regulations a priority, on a par at least to those significant segments now so designated, to veterans specifically, so that the regulations shall provide that all persons or agencies having funding responsibilities for grants or programs in CETA shall be instructed that such a priority for veterans is the policy of the United States government, and such priority for veterans in CETA programs must be implemented fully and immediately.

SIXTY-SECOND ANNUAL NATIONAL CONVENTION
OF
THE AMERICAN LEGION
AUGUST 19-21, 1980
BOSTON, MASSACHUSETTS

RESOLUTION NO. : 690

COMMITTEE : ECONOMICS

SUBJECT : SEEK TO ESTABLISH THE REGIONAL VETERANS EMPLOYMENT REPRESENTATIVE POSITION BY LEGISLATION

WHEREAS, The Congress of the United States has enacted legislation providing for a Veterans Employment Service within the Department of Labor; and

WHEREAS, Chapter 41, title 38, U.S. Code, provides the Veterans Employment Service shall be responsible for job counseling, training, and placement services for veterans to be administered by a Deputy Assistant Secretary of Labor for Veterans Employment; and

WHEREAS, Regional Veterans Employment Representatives have been appointed, although not authorized by law, to supervise the State Directors and Assistant State Directors of the Veterans Employment Service and to represent them at the Regional level in serving the veterans; and

WHEREAS, The Regional Veterans Employment Representatives provide a most necessary service in carrying out the mandates of Congress to serve the veteran; now therefore be it

RESOLVED, By The American Legion in National Convention assembled in Boston, Massachusetts, August 19, 20, 21, 1980, that The American Legion seek legislation to amend Chapter 41, title 38, U.S. Code, to establish the Regional Veterans Employment Representative position by law.

SIXTY-SECOND ANNUAL NATIONAL CONVENTION
OF
THE AMERICAN LEGION
AUGUST 19-21, 1980
BOSTON, MASSACHUSETTS

RESOLUTION NO. : 635

COMMITTEE : ECONOMICS

SUBJECT : TARGETED JOBS TAX CREDIT PROGRAM

WHEREAS, The Revenue Act of 1978 authorized the Targeted Jobs Tax Credit program, scheduled to expire at the end of 1981, which provides tax credits for private employers hiring certain targeted group members, including certain veterans; and

WHEREAS, To be eligible for employment under the Targeted Jobs Tax Credit program, a veteran must be either a disabled veteran who has enrolled in or completed a program of vocational rehabilitation, or an economically disadvantaged Vietnam era veteran under the age of 35; and

WHEREAS, Present eligibility criteria are unnecessarily restrictive, exclude many veterans who could benefit from the program, and impose upon other veterans unnecessary preconditions which could delay their ultimate employment and rehabilitation; and

WHEREAS, Employment opportunities for eligible disabled and economically disadvantaged veterans would be enhanced if their eligibility were extended and expanded; now therefore be it

RESOLVED, By The American Legion in National Convention assembled in Boston, Massachusetts, August 19, 20, 21, 1980, that The American Legion urge Congress of the United States to enact legislation which would expand eligibility for the Targeted Jobs Tax Credit program to include all economically disadvantaged veterans regardless of war era or age; remove the precondition of enrollment in or completion of a program of vocational rehabilitation for eligibility of disabled veterans; extend the Targeted Jobs Tax Credit program to 1985; and extend indefinitely the employer tax credit for hiring disabled veterans.

SIXTY-SECOND ANNUAL NATIONAL CONVENTION
OF
THE AMERICAN LEGION
AUGUST 19-21, 1980
BOSTON, MASSACHUSETTS

RESOLUTION NO.: 52

COMMITTEE : ECONOMICS

SUBJECT : SUPPORT VETERANS PREFERENCE IN FEDERAL EMPLOYMENT

WHEREAS, A grateful Nation has, following each war, indicated its thanks to those who bore the battle by providing certain rights and benefits, one of which has been a small advantage when seeking Federal employment, and in retention of that employment; and

WHEREAS, Absence from the highly competitive job market due to military service creates an unfair and unequal burden on veterans in competing with their nonveteran peers upon completion of military service, which this preference in Federal employment is intended to partly overcome; now therefore be it

RESOLVED, By The American Legion in National Convention assembled in Boston, Massachusetts, August 19, 20, 21, 1980, that The American Legion strongly support veterans preference in Federal employment as provided by a grateful Nation, and oppose any efforts to reduce this preference.